

マレーシア国  
中小企業開発公社人材育成プロジェクト  
終了時評価報告書

平成 21 年 1 月  
(2009 年)

独立行政法人国際協力機構  
マレーシア事務所

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## 序 文

日本国政府はマレーシア政府の要請に基づき、同国の中小企業支援人材育成のために中小企業開発公社（SMIDEC）の中核職員の能力開発を目的として 2006 年 5 月から約 3 年間の予定で、マレーシア国において技術協力プロジェクト「中小企業開発公社人材育成プロジェクト」を実施しています。

当機構は本案件に関する実績の把握と評価を行い、今後、両国がとるべき措置を検討することを目的として、2008 年 9 月 15 日から 11 月 14 日にかけて現地コンサルタントによる文献、インタビュー、アンケートを用いた調査を行い、その調査結果を取りまとめた資料に基づき、JICA マレーシア事務所次長高橋政俊を団長とする終了時評価調査を行い、協議議事録を作成のうえ、2008 年 12 月 26 日に署名を行いました。

調査団は、マレーシア側関係者と共同で実績の把握と評価を行い、調査結果について報告書に取りまとめました。

この報告書が今後の協力の更なる発展の指針になるとともに、本協力により達成された成果がマレーシア国の一層の発展に資することを期待します。

終わりに、調査にご協力とご支援を頂いた関係各位に対し、心より感謝申し上げます。

平成 21 年 1 月

独立行政法人国際協力機構  
マレーシア事務所長 鈴木 規子



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## 評価調査結果要約表

計画調査結果要約表

1. 案件の概要		
国名：マレーシア		案件名：中小企業開発公社人材育成プロジェクト
分野：経済開発		援助形態：技術協力プロジェクト
所轄部署：マレーシア事務所		協力金額（評価時点）：1.58 億円
協力期間	(R/D)：2006 年 5 月 1 日から 2009 年 3 月 31 日まで	先方関係機関：中小企業開発公社（SMIDEC）
		日本側協力機関：経済産業省
		他の関連協力：
1－1 協力の背景と概要		
<p>マレーシアは 1970 年代から積極的な外資導入を図り、輸出指向型産業の育成を図ってきた。この結果、電気電子製品の産業が集積したが、中間財は輸入品に依存していたため、これを国産化することで国際競争力を強化する必要がある。マレーシア政府が策定した第 2 次工業化マスタープラン、中小企業開発マスタープランでは、電気電子産業や自動車産業などの主要な産業において、裾野産業を含めた産業全体が総合的に発展することを目指している。目標として掲げており、そのために、同国の企業のうち 9 割を占める中小企業の技術力、人材育成を図る必要性が述べられている。</p> <p>一方で、マレーシア国内の民族間における経済格差の縮小も政策課題となっており、特に、マレー系人民の起業促進、マレー系企業の競争力強化はこれまでの国家開発計画においてとりわけ強調されている。</p> <p>1996 年に設立された中小企業開発公社（Small and Medium Industries Development Corporation：SMIDEC）は、このような政策課題に対応するために設立された政府系企業であり、付加価値の高い製品やサービスを提供する健全な中小企業を育成するために、経営相談、資金調達支援、ビジネスマッチング等のサービスを行う組織であるが、多くは他省庁からの出向者、新卒者で占められており、中小企業振興を支援する役割を担う人材の育成が急務であるとの認識を有していた。</p> <p>こうした背景の下、SMIDEC は人材育成に関する支援を日本政府に要請するに至った。なお、本案件は、2005 年 12 月に締結された日本・マレーシア経済連携協定のなかでの日本側が行う技術協力案件のひとつとして位置づけられている。</p>		
1－2 協力内容		
<p>本案件では、マレーシアの中小企業の経営能力、技術力向上のために、主に SMIDEC の職員に対して、中小企業向けのアドバイザリーサービスを行うための基本的な知識（マーケティング、生産管理、財務・税務、金融、経営診断等）を身に着けるための研修を実施した。研修実施に際しては、中小企業支援に関連する組織（マレーシア生産性公社、中小企業銀行、人材育成基金等）にも参加を勧奨し、マレーシア国における中小企業支援人材のレベルの底上げを図った。</p>		

#### (1) 上位目標

マレーシアの相当数の中小企業が SMIDEC のサービスを得ることにより、生産性が高く、高度な技術力を備え、国際的な競争力をもてるようになる。

#### (2) プロジェクト目標

中小企業の問題やニーズを分析し、中小企業に基本的な（高度に専門的ではない）アドバイスを提供できる SMIDEC 職員の育成（研修修了者は「中小企業カウンセラー」と呼称する）を通じて、SMIDEC がマネジメントやマーケティング技術、金融支援サービスで効果的に中小企業を支援できる機関となる。

#### (3) 成 果

- ① 中小企業カウンセラーが適切に育成される
- ② 中小企業カウンセラーの教官が適切に育成される

#### (4) 投入（評価時点）

日本側：総投入額 1.58 億円

長期専門家派遣：0 名 機材供与：0 円

短期専門家派遣：6 名の短期専門家 合計 28 人月 ローカルコスト負担：0 円

研修員受入れ：5 名（更に、2009 年 2 月に 5 名予定 合計 10 名）

相手国側：

カウンターパート配置：3 名（企画部長及び担当職員） 機材購入：なし

土地・施設提供：研修施設、専門家執務室の提供あり

ローカルコスト負担：11 万 3,853 リンギット（RM）（研修運営に係る経費）

## 2. 評価調査団の概要

調 査 者	総 括：高橋政俊	JICA マレーシア事務所 次長
	評価企画：河添靖宏	JICA マレーシア事務所 所員
	評価分析：	Lim Pao Li PE Research Sdn. Bhd.
調査期間	2008 年 9 月 15 日～2008 年 11 月 14 日	評価種類：終了時評価

## 3. 評価結果の概要

### 3-1 実績の確認

#### 3-1-1 活 動

プロジェクトでは、中小企業カウンセラーの育成を目的として下記のようなカリキュラム及び教材を作成した。また、研修の評価を行ううえで単位制（午前と午後の講義・実習を 1 単位とする）を採用し、各単位認定試験において 60 点以上の成績を残し、合計 60 単位（すなわち、全科目の合格が条件）を取得すればコースを修了することとした。

- ① SME（中小企業）カウンセリングの基礎 2 単位 レポートによる評価
- ② 経営計画 4 単位 レポートによる評価

- |           |       |           |
|-----------|-------|-----------|
| ③ 税法・税務   | 4 単位  | レポートによる評価 |
| ④ 財務管理    | 10 単位 | 筆記試験      |
| ⑤ 生産管理    | 10 単位 | 筆記試験      |
| ⑥ マーケティング | 10 単位 | レポートによる評価 |
| ⑦ 経営診断    | 20 単位 | 講師による観察   |

研修は、2006 年 10 月から 2009 年 3 月までの 2 年半の期間に、6 カ月単位で 5 回（5 バッチ）実施することとした。また、研修受講者が長期間通常業務を離れることがないよう、各回の研修は更に約 2 週間×5 回の講座に分けて実施された。

研修プログラムの効果把握、内容の改善を行うために、各研修講座終了時に受講者からの意見聴取を行い、次回の教材改善等につなげる工夫も取り入れられた。

### 3-1-2 成 果

中小企業カウンセラー育成については、68 名の修了者が見込まれている。これら修了者は、レポート、筆記試験、実習、実技を通じた評価から、中小企業の経営改善、技術改善を行ううえで最低限必要な経営計画、税法・税務、財務管理、生産管理、マーケティング、経営診断の知識を有しているといえることができる。SMIDEC 内部の研修修了者は 57 名であり、当初目標の 50 名を上回る成果が上げられた。一方、マレーシア生産性公社、中小企業銀行、マレーシア貿易振興会等の中小企業支援関連機関からの参加者は 11 名（目標は 30 名）にとどまった。本プロジェクトは SMIDEC をカウンターパートとして実施したため、SMIDEC が他機関へ研修参加奨励を積極的に行わなかったことが理由として考えられる。

以上から、中小企業支援の中核機関である SMIDEC において目標を上回る人材を育成できたことはプロジェクトの成果として認められるが、他の中小企業支援関連機関との連携という意味では改善すべきところがあるといえることができる。

一方、中小企業カウンセラーを育成する人材（教官）の育成について、57 名の修了者のなかから 10 名の成績優秀者が教官適格者として選抜されたものの、彼らに対するインタビューの結果からは、「講師として人材育成に携わることに自信をもてない」という回答が多い傾向であり、実際の人材育成に携わるには、実務を通じた知見の研鑽、教授法の習得が必要であるといえることができる。

### 3-1-3 プロジェクト目標

SMIDEC の中小企業支援事業は量的に拡大傾向にある。一方で、本プロジェクトの実習受入先として SMIDEC のカウンセリングサービスを受けた中小企業の多くは、SMIDEC のサービスを評価し、期待している点が明らかになっている。

以上から、プロジェクトによる中小企業カウンセラー育成を通して、SMIDEC が効果的な中小企業支援サービスを展開できる機関として着実に成長しており、中小企業からの信頼も醸成されてきているといえることができる。

### 3-2 評価結果の要約

#### (1) 妥当性

第9次マレーシア計画では、競争力をもった中小企業の育成が主要な目標として掲げられている。SMIDEC はマレーシアにおける主たる中小企業振興支援機関であり、本案件はその組織の人材育成ニーズに応えている点から、妥当性は極めて高いといえる。

- ・マレーシア中小企業開発のニーズの観点から

マレーシアの中小企業のレベルは技術的、研究開発能力的にもいまだ高いとはいえない。また、中小企業金融へのアクセスについては多くの企業から改善が要望されている。このようななか、SMIDEC が果たす役割は大きく、その人材育成の必要性は喫緊の課題であったところ、協力の妥当性は高いと評価できる。

- ・SMIDEC のニーズの観点から

SMIDEC は中小企業に対してアドバイザリーサービス、金融支援、設備的な支援、マーケットアクセス等の支援を行う機関である。マレーシア中小企業の競争力強化を支援し、中小企業が直面しているビジネス環境の変化へ対応するためにも、SMIDEC 職員のアドバイザリー能力向上が必要とされている。

- ・マレーシアの国家開発計画との整合性

第3次長期国家開発計画（2001～2010）では、特に中小企業の生産性向上がマレーシア経済の発展に欠かせない要素として開発目標に掲げられている。また、第3次工業開発計画（2006～2020）においては、中小企業の国際競争力強化が開発目標に掲げられている。

- ・プロジェクトの計画及びアプローチの妥当性

中小企業カウンセラーに対するインタビュー調査（対象 68 名）の結果では、研修参加者の 93%が、プロジェクトにおいて実施された研修内容は妥当であり、カウンセラーの能力向上に資するものであると評価しており、プロジェクトの計画及びアプローチは妥当であったと考えられる。

- ・外務省国別援助計画、JICA 国別援助実施方針との妥当性

本案件は「経済競争力強化」「日本・マレーシア経済連携協定の円滑履行」に沿って日本政府により採択、実施されたものであり、国別援助計画、国別援助実施方針と整合していると評価できる。

#### (2) 有効性

SMIDEC の取り組み及び中小企業支援状況を端的に示す指標について、本案件開始時点と現状を比較した結果は以下のとおりである。

- ・SMIDEC が提供する中小企業支援プログラムの数（2005 年：17→2008 年：21）
- ・SMIDEC が提供するアドバイザリーサービスを受けた企業数（2006 年：18 万 8,093→2007 年：21 万 9,904）
- ・マーケット開発支援補助金を受領した企業数（2006 年：1,754→2007 年：2,196）
- ・国際見本市及び国際貿易ミッションへ参加した中小企業数（2006 年：2,631→2007 年：

3,294)

このように、SMIDEC は中小企業支援に対する取り組みの強化を着実に実行しており、本プロジェクトは人材育成を通して SMIDEC の中小企業支援サービス強化を促進したところ、その有効性は高いと評価できる。

### (3) 効率性

本案件は基本的にはミニッツにおける当初計画どおり実施され、投入のタイミングも適切であったと評価できる。研修は第 1 期から第 5 期までの 5 回に分けて、各回約 15 名程度の参加者をもって実施した。日本側は中小企業診断士資格を有する経験豊富な講師陣を複数回短期派遣してプロジェクトを運営した。

### (4) インパクト

(2) 有効性において述べたとおり、SMIDEC により実施された中小企業に対するアドバイザーサービスの件数、マレーシアの中小企業における国際的な取引は増加傾向にあり、マレーシアの中小企業における経営改善、技術向上ニーズの高さを意味している。年間 20 万件以上寄せられる中小企業からの支援要望に対応する人材の育成に貢献した本案件のインパクトは認められる。また、研修に参加したカウンセラーから、SMIDEC 職員が担うべき役割（中小企業に対する経営支援）に関する自覚を再認識したとの評価を得ている。

### (5) 自立発展性

#### ・政策的観点

第 9 次マレーシア計画（2006～2010）、第 3 次工業開発計画（2006～2020）においても中小企業開発は重要政策に掲げられており、次期国家開発計画においても引き続き中小企業開発は国際競争力強化及び国家経済基盤を確固とするうえでの開発目標として挙げられる見通しである。

#### ・組織的観点

SMIDEC において中小企業カウンセラー育成研修は継続的に実施される予定である。一方で、中小企業カウンセラー育成研修を実施する仕組み（現状では企画部が研修を担当）、更なる講師育成（量及び現場経験を積んだ講師の育成）については自立発展性を確保するための検討事項である。

#### ・技術的観点

中小企業カウンセラーに対するアンケート調査では、特に、中小企業側からのアドバイザーニーズが高い中小企業金融に関する知識について、更に知見を深めたいという結果が出ている。一方、本研修に協力していただいた中小企業側の評価として、中小企業カウンセラーは現場経験に乏しく、これがアドバイザーサービスの限界になっているとのコメントがあった。また、一般的に中小企業は SMIDEC に対して金融サービスへのアクセスを望む傾向にあるが自社の経営改善等抜本的な改善には関心をもっていない場合も多く、中小企業カウンセラーがいかに中小企業経営者に対して経

営改善が有効であるかを啓発することができるかについては、今後の課題であると思われる。

### 3－3 効果発現に貢献した要因

#### (1) 計画内容に関すること

マレーシア政府はマレーシア国内企業数の約 9 割を占める中小企業の開発について、国際競争力強化、民族間経済格差是正の観点から、重要政策課題として国家開発計画に位置づけ、その取り組みの中核機関として SMIDEC を設立した。本案件はこのような政策的妥当性が極めて高く、かつ、急速に組織を拡大する SMIDEC の人材育成ニーズと合致した案件である。

また、国、地方公共団体、金融機関、商工会等の連携を通じた中小企業支援策、中小企業診断士制度等のわが国の経験を講座及び本邦研修を通して教授したため、結果として、SMIDEC がマレーシアに適用可能な制度を学ぶことができたといえる。

このように、政策的妥当性が極めて高く、その政策実現を担う機関のニーズに応える協力内容であったこと、わが国の中小企業政策の経験等が、本計画が円滑に進捗した要因であるといえる。

#### (2) 実施プロセスに関すること

本研修コースでは、座学のほかに、総合技術としての「企業診断」の現地研修を取り入れた。この現地研修では、1 週間かけて複数の中小企業に出向いて情報収集、インタビューを行い、最終的に企業に対する提言をまとめる実習を行った。研修参加者の多くにとっては初めてとなるこの実習について、特に高い評価が寄せられており、このような実習の繰り返しが中小企業カウンセラーを育成するうえで重要であることが教訓として理解できた。

### 3－4 問題点及び問題を惹起した要因

#### (1) 計画内容に関すること

特に指摘すべき要因は存在しない。なお、成果「② 中小企業カウンセラーの教官が適切に育成される」について、本案件では座学を担当できるレベルの教官を育成することが到達目標であった。中小企業支援を実践する組織における教官になるためには、特に企業診断経験を積み、分析的に経験を整理し、アドバイザリーにつなげてゆく努力・研鑽が必要である。

#### (2) 実施プロセスに関すること

特に指摘すべき要因は存在しない。

### 3－5 結 論

マレーシア国家開発計画等に中小企業振興が重点課題として掲げられているところ、政策的妥当性は極めて高く、SMIDEC の人材育成ニーズにも合致した案件である。本案件

は、今後増加してゆくであろう中小企業に対するアドバイザーサービスに係る人材育成に取り組み、中小企業支援を行うにあたり基礎的な知識を有する 68 名の中小企業支援カウンセラーを輩出した点で、有効性及びインパクトも高いと評価できる。マレーシア側の SMIDEC 以外の組織からの研修参加が促進されれば更に効率的であったと考えられる。政策的背景から本案件の自立発展性は高いといえるが、本案件を通して育成された教官は座学を担当できる程度のレベルであり、本案件の目標は達成されたといえるが、今後、中小企業に対するアドバイザーサービスの実務・経験を積んだ教官が育成される必要がある。

### 3-6 提 言

- ・ 中小企業カウンセラーに対する研修コース整備について

SMIDEC において、2 種類の研修コースを整備することが望まれる。

- ① 中小企業カウンセラー育成コース（基礎）
- ② 中小企業カウンセラー指導者育成コース（応用）

- ・ 分野包括的なカウンセリングチームの組織化

企業診断においては、税務・財務、生産管理、金融、マーケティング等の包括的知見が必要となるため、各専門性を有するカウンセラーがチームを組んで対応する仕組みを設けることが望ましい。

- ・ 中小企業支援にかかわる組織の研修への参加奨励

広く人材育成を進めてゆくためには、中小企業支援にかかわる組織（生産性公社、中小企業銀行、起業家組合省傘下の財団等）の研修への参加奨励が望ましい。

- ・ 組織内の継続的人材育成

中小企業カウンセラー育成研修を実施する仕組み、及び、更なる講師育成（量及び現場経験を積んだ講師の育成）については自立発展性を確保するためにも SMIDEC における取り組みが必要である。

- ・ 中小企業経営者に対する啓発活動

一般的に中小企業は簿記、5S、改善活動等は知っているが、企業経営にとってどのように役立つのかを知らない場合も多い。マレーシアの中小企業の経営、技術力高度化のためには、SMIDEC が、中小企業経営者に対し、経営改善に関する基本的かつ日常的な取り組みが重要である点を啓発してゆく必要がある。

### 3-7 教訓（当該プロジェクトから導き出された他の類似プロジェクトの発掘・形成、実施、運営管理に参考となる事柄）

日本の中小企業診断士制度を模範として、SMIDEC の人材育成において必要な部分に絞って研修教材を作成したこと、SMIDEC の要望に沿って研修コースのなかに企業診断の講座を設定し、実際に企業を訪問してアドバイザーサービスを行う工夫をしたことは、今後同種の案件を実施するうえでも効果的な研修につながると思われる。

プロジェクトに対する SMIDEC 経営層の関心の高さ、経済産業大臣の新聞報道におけるプロジェクトへの言及等を通して、SMIDEC が金融や補助金のみではなく、中小企業に対

するアドバイザーサービスに本腰を入れて取り組んでいるという広報へつながった。また、SMIDEC 職員においても、中小企業支援の主体者としての自覚を再認識する機会となった。

### 3－8 特記事項

2009 年度新規要請案件として、マレーシア政府から中小企業カウンセラー講師育成に係る技術協力、及び、金融カウンセラー育成に関する技術協力の要請が上げられている。



# 第 1 章 終了時評価調査の概要

## 1-1 終了時評価調査実施の経緯

マレーシアは 1970 年代から積極的な外資導入を図り、輸出指向型産業の育成を図ってきた。この結果、電気電子製品の産業が集積したが、中間財は輸入品に依存していたため、これを国産化することで国際競争力を強化する必要があった。マレーシア政府が策定した第 2 次工業化マスタープラン、中小企業開発マスタープランでは、電気電子産業や自動車産業などの主要な産業において、裾野産業を含めた産業全体が総合的に発展することを目標として掲げており、そのために、同国の企業のうち 9 割を占める中小企業の技術力、人材育成を図る必要性が述べられている。

一方で、マレーシア国内の民族間における経済格差の縮小も政策課題となっており、特に、マレー系人民の起業促進、マレー系企業の競争力強化はこれまでの国家開発計画においてとりわけ強調されている。

1996 年に設立された中小企業開発公社（SMIDEC）は、このような政策課題に対応するために設立された政府系企業であり、付加価値の高い製品やサービスを提供する健全な中小企業を育成するために、経営相談、資金調達支援、ビジネスマッチング等のサービスを行う組織であるが、多くは他省庁からの出向者、新卒者で占められており、中小企業振興を支援する役割を担う人材の育成が急務であるとの認識を有していた。

こうした背景の下、SMIDEC は人材育成に関する支援を日本政府に要請するに至り、JICA は 2006 年 5 月より約 3 年間の予定で本プロジェクトを開始した。

本プロジェクトは 2009 年 3 月に協力期間終了予定であることから、これまでの活動実績を評価するとともに、今後に向けての提言を導き出すことを目的として終了時評価を実施することとした。

## 1-2 調査の目的

（１）協力の開始から約 3 年間の実績（終了時評価実施後の予定を含む）と計画達成度を、協議議事録（M/M）及びプロジェクト・デザイン・マトリックス等に基づき、妥当性、有効性、効率性につき総合的に調査・評価する。

（２）協力期間終了後のとるべき措置について協議し、その結果を日本、マレーシア両国政府及び関係当局に報告・提言する。

## 1-3 調査団員構成

- （１）総括：高橋政俊 JICA マレーシア事務所 次長
- （２）評価企画：河添靖宏 JICA マレーシア事務所 所員
- （３）評価分析：Lim Pao Li PE Research Sdn. Bhd.（現地コンサルタント）

## 1-4 調査日程

2008 年 9 月 15 日から 11 月 14 日にかけて現地コンサルタントによる文献、インタビュー、アンケートを用いた調査を行った。その調査結果を取りまとめた資料に基づき、2008 年 12 月 4 日に開催された合同調整委員会において SMIDEC 関係者と JICA 関係者の間で評価結果に係る協議

を行い、協議議事録を作成のうえ、2008 年 12 月 26 日に署名を行った。

#### 1－5 主要面談者

別添の評価報告書 ANNEX2:LIST OF PERSONS INTERVIEWED / SRUVEYED に記載のとおり、SMIDEC 経営層、中小企業カウンセラー研修受講者、中小企業カウンセラー研修の実習に協力した企業等に対して多角的な面談、調査を行った。

## 第2章 評価結果

### 2-1 プロジェクトの投入

日本側は、総括（中小企業人材育成計画）、企業診断、経営管理、マーケティング、生産管理、財務・会計に関する専門家派遣を行った。なお、税務に関してはマレーシア国内の税制に精通しているコンサルタントを雇用して講義を行った。なお、本プロジェクトに要したコストは約1億5,800万円である。

マレーシア側は、プロジェクトの運営を行うカウンターパートとして、CEOのDato' Hafsa氏、総務課長 Rohana氏を配置するとともに、研修員の選定、研修会場、企業実習に係る手配を行った。

### 2-2 プロジェクトの実績

#### 2-2-1 活動

プロジェクトでは、中小企業カウンセラーの育成を目的として下記のようなカリキュラム及び教材を作成した。また、研修の評価を行ううえで単位制（午前と午後の講義・実習を1単位とする）を採用し、各単位認定試験において60点以上の成績を残し、合計60単位（すなわち、全科目の合格が条件）を取得すればコースを修了することとした。

- （1）SME（中小企業）カウンセリングの基礎      2単位    レポートによる評価
  - カウンセリングの役割・技法
  - 中小企業経営論：中小企業の役割、中小企業の特徴
  - 中小企業政策・制度：融資と連携、創業・新分野進出支援、クラスター振興
  - 中小企業の人材育成：教育・訓練方法、労務管理、人事考課、賃金体系
  - 中小企業の経営計画：ビジネスプランの作成、目標管理の方法
  
- （2）経営計画      4単位    レポートによる評価
  - 利益計画、資金計画の作成
  - 情報の収集と評価
  
- （3）税法・税務      4単位    レポートによる評価
  - マレーシア税法に関する知識
  - 企業税務に関する知識
  - 税務申告書の作成
  
- （4）財務管理      10単位    筆記試験
  - 財務・会計の基礎：財務諸表の見方、管理会計の基礎、財務諸表の作成
  - 財務分析の手法：時系列分析、指標分析、損益分岐点分析
  
- （5）生産管理      10単位    筆記試験
  - 5Sの進め方、目で見える管理

工程管理と IE の基礎知識  
科学的品質管理の考え方と手法  
製造原価の把握とコスト削減の考え方  
生産計画、納期確保の考え方と手法  
資材調達、在庫管理の考え方と手法  
設備保全の進め方、安全衛生管理の進め方  
ISO 関連の基礎知識

(6) マーケティング 10 単位 レポートによる評価

市場環境の変化と経営戦略の策定  
市場調査の方法 (セグメンテーション)  
SWOT、PPM 分析  
得意先管理の方法  
販売計画の立案、販売促進の進め方  
物流合理化の進め方

(7) 経営診断 20 単位 講師による観察

経営診断の意義と役割  
経営診断の進め方と SWOT 分析  
生産現場の見方と改善の進め方  
創業、新分野進出・経営改革計画の診断  
経営診断実習  
産業クラスター形成と振興の進め方

研修は、2006 年 10 月から 2009 年 3 月までの 2 年半の期間に、6 カ月単位で 5 回 (5 バッチ) 実施することとした。また、研修受講者が長期間通常業務を離れることがないよう、各回の研修は更に約 2 週間×5 回の講座に分けて実施された。

研修プログラムの効果把握、内容の改善を行うために、各研修講座終了ごとに受講者からの意見聴取を行い、次回の教材改善等につなげる工夫も取り入れられた。

## 2-2-2 成 果

中小企業カウンセラー育成については、68 名の修了者が見込まれている。SMIDEC 内部の研修修了者は 57 名であり、当初目標の 50 名を上回る成果が上げられた。一方、マレーシア生産性公社、中小企業銀行、マレーシア貿易振興会等の中小企業支援関連機関からの参加者は 11 名 (目標は 30 名) にとどまった。本プロジェクトは SMIDEC をカウンターパートとして実施したため、SMIDEC が他機関へ研修参加奨励を積極的に行わなかったことが理由として考えられる。

以上から、中小企業支援の中核機関である SMIDEC において目標を上回る人材を育成できたことはプロジェクトの成果として認められるが、他の中小企業支援関連機関との連携という意味では改善すべきところがあるといえることができる。

一方、中小企業カウンセラーを育成する人材（教官）の育成について、57名の修了者のなかから10名の成績優秀者が教官適格者として選抜されたものの、彼らに対するインタビューの結果からは、「講師として人材育成に携わることに自信をもてない」という回答が多い傾向である（評価報告書のTable 4.2 参照）。今回の研修を通して中小企業カウンセラー育成教官となるための一通りの知識は身に着けていると評価される一方で、実際の人材育成に携わるには、実務を通じた知見の研鑽、教授法の習得が必要であるといえることができる。

### 2-2-3 プロジェクト目標

SMIDECの中小企業支援事業は量的に拡大傾向にある。具体的には、

- ・ SMIDEC が提供する中小企業支援プログラムの数（2005年：17→2008年：21）
- ・ SMIDEC が提供するアドバイザーサービスを受けた企業数（2006年：18万8,093→2007年：21万9,904）
- ・ マーケット開発支援補助金を受領した企業数（2006年：1,754→2007年：2,196）
- ・ 国際見本市及び国際貿易ミッションへ参加した中小企業数（2006年：2,631→2007年：3,294）

一方で、本プロジェクトの実習受入先として SMIDEC のカウンセリングサービスを受けた中小企業の多くは、SMIDEC のサービスを評価し、期待している点が明らかになっている（付属資料のTable 17 参照）。

以上から、プロジェクトによる中小企業カウンセラー育成を通して、SMIDEC が効果的な中小企業支援サービスを展開できる機関として着実に成長しており、中小企業からの信頼も醸成されてきているといえることができる。

## 2-3 評価5項目による評価結果

### （1）妥当性

妥当性は、プロジェクトの計画内容が受益者ニーズに合致しており必要性が高いか、相手国の開発政策及び日本の援助政策と整合性があり、高い優先度が認められるか、また、対象分野・セクターの問題や課題の解決策として適切かなどを問う視点である。

第9次マレーシア計画では、競争力をもった中小企業の育成が主要な目標として掲げられている。SMIDEC はマレーシアにおける主たる中小企業振興支援機関であり、本案件はその組織の人材育成ニーズに応えている点から、妥当性は極めて高いといえる。

#### ・ マレーシア中小企業開発のニーズの観点から

マレーシアの中小企業のレベルは技術的、研究開発能力的にもいまだ高いとはいえない。また、中小企業金融へのアクセスについては多くの企業から改善が要望されている。このようななか、SMIDEC が果たす役割は大きく、その人材育成の必要性は喫緊の課題であったところ、協力の妥当性は高いと評価できる。Tan Sri Muhiddin 経済産業大臣も新聞報道で SMIDEC は本案件を通して人材育成に努めているとのコメントを行っており、政策的ニーズとの整合性が認められる。

- ・ SMIDEC のニーズの観点から

SMIDEC は中小企業に対してアドバイザリーサービス、金融支援、設備的な支援、マーケットアクセス等の支援を行う機関である。マレーシア中小企業の競争力強化を支援し、中小企業が直面しているビジネス環境の変化へ対応するためにも、SMIDEC 職員のアドバイザリー能力向上が必要とされている。2009 年 1 月から SMIDEC は「SME Corp.」へと改組され、中小企業振興関連機関の調整業務も担当することになっており、その意味でも、SMIDEC 職員が包括的な中小企業振興支援策を学べたことは意義があったと評価できる。本案件に対する SMIDEC 経営者層（CEO の Dato' Hafsa 氏をはじめとする諸氏）の関心は高く、各期の研修が開始される際は CEO 自らが講義を行い、研修参加者選定、研修進捗モニタリングも CEO 自らが意思決定するなど、本案件の円滑な実施に対するコミットメントは高かった。

- ・ マレーシアの国家開発計画との整合性

第 3 次長期国家開発計画（2001～2010）では、特に中小企業の生産性向上がマレーシア経済の発展に欠かせない要素として開発目標に掲げられている。また、第 3 次工業開発計画（2006～2020）においては、中小企業の国際競争力強化が開発目標に掲げられている。なお、本プロジェクトは、日本・マレーシア経済連携協定における日本側の技術協力案件として位置づけられており、マレーシア側の政策的ニーズに応える案件として評価することができる。

- ・ プロジェクトの計画及びアプローチの妥当性

中小企業カウンセラーに対するインタビュー調査（対象 68 名）の結果では、93%の研修参加者が、プロジェクトにおいて実施された研修内容は妥当であり、カウンセラーの能力向上に資するものであると評価しており、プロジェクトの計画及びアプローチは妥当であったと考えられる。

- ・ 外務省国別援助計画、JICA 国別援助実施方針との妥当性

本案件は「経済競争力強化」「日本・マレーシア経済連携協定の円滑履行」に沿って日本政府により採択、実施されたものであり、国別援助計画、国別援助実施方針と整合していると評価できる。

## （2）有効性

有効性は、プロジェクトで計画した効果（プロジェクト目標）が達成されているか、また、それはプロジェクト活動の結果によりもたらされたものなのかを問う視点である。

SMIDEC の取り組み及び中小企業支援状況を端的に示す指標について、本案件開始時点と現状を比較した結果は以下のとおりである。

- ・ SMIDEC が提供する中小企業支援プログラムの数（2005 年：17→2008 年：21）
- ・ SMIDEC が提供するアドバイザリーサービスを受けた企業数（2006 年：18 万 8,093→2007 年：21 万 9,904）
- ・ マーケット開発支援補助金を受領した企業数（2006 年：1,754→2007 年：2,196）

- ・国際見本市及び国際貿易ミッションへ参加した中小企業数（2006 年：2,631→2007 年：3,294）

このように、SMIDEC は中小企業支援に対する取り組みの強化を着実に実行している。その SMIDEC に対して本案件は中小企業支援を行う人材を育成する取り組みを行った。その結果は以下のとおりである。

- ・68 名の中小企業カウンセラーが育成された。なお、SMIDEC からの参加者は 57 名で、その他の機関（生産性公社、中小企業銀行、人材育成基金等）からの参加者が 11 名であった。
- ・本案件の研修に参加した中小企業カウンセラーの 93%は研修内容に満足しており、実施された研修はカウンセラーの視点から有効であったといえることができる。
- ・68 名のうち、第 1 期から第 3 期までの参加者のなかから 5 名が後進の人材育成のための講師の資質を有していると評価され、第 4 回、第 5 回研修コースにおいては座学の講師を務める等、組織内の講師として将来の人材育成に携わるための訓練が行われた。なお、第 4 期、第 5 期研修コースから更に 5 名の講師候補者が選定され、合計 10 名の講師が今後の後進育成に携わる予定である。ただし、これら講師は座学において講師は務められるものの、中小企業支援実務・経験についてはまだ浅く、今後の更なる研鑽は必須である。

### （３）効率性

効率性は、成果もしくはプロジェクト目標について、より低いコストで達成する代替手段はなかったか、あるいは、同じコストでより高い達成度を実現することはできなかったのか、また、投入はタイミングよく実施されたのかなどを問う視点である。

本案件は基本的にはミニッツにおける当初計画どおり実施され、投入のタイミングも適切であったと評価できる。研修は第 1 期から第 5 期までの 5 回に分けて、各回約 15 名程度の参加者をもって実施した。日本側は中小企業診断士資格を有する経験豊富な講師陣を複数回短期派遣してプロジェクトを運営した。成果発現に影響した投入の停滞は以下の 2 点であるが、プロジェクト目標の達成にネガティブな影響を与えるものではない。

- ・第 4 期、第 5 期研修コースのなかから 5 名の講師を育成するため、2008 年 11 月に日本での研修が予定されていたが、プロジェクトの合同調整委員会の時期が 9 月から 11 月に延期され、プロジェクト専門家が 11 月にマレーシアにおける会議に出席する必要が生じたため、研修実施時期が 2009 年 2 月に延期されたこと。
- ・SMIDEC からの研修参加者は 57 名であったが他機関からの参加者が 11 名にとどまった。マレーシア側関係機関において日本側が提供した研修機会を更に効率的に活用できたと思われること。

### （４）インパクト

インパクトとは、プロジェクトが実施されたことによって生じる直接的・間接的な正・負の効果を測定する評価項目である。

（２）有効性において述べたとおり、SMIDEC により実施された中小企業に対するアドバイ

ザリーサービスの件数、マレーシアの中小企業における国際的な取引は増加傾向にあり、マレーシアの中小企業における経営改善、技術向上ニーズの高さを意味している。年間 20 万件以上寄せられる中小企業からの支援要望に対応する人材の育成に貢献した本案件のインパクトは認められる。また、研修に参加したカウンセラーから、SMIDEC 職員が担うべき役割（中小企業に対する経営支援）に関する自覚を再認識したとの評価を得ている。

#### （５）自立発展性

自立発展性とは、プロジェクト終了後もプロジェクトの実施による便益が持続されるかどうかを検討する評価項目であり、政策的観点、組織的観点、技術的観点から評価を行うものである。

##### ・政策的観点

第 9 次マレーシア計画（2006～2010）、第 3 次工業開発計画（2006～2020）においても中小企業開発は重要政策に掲げられており、次期国家開発計画においても引き続き中小企業開発は国際競争力強化及び国家経済基盤を確固とするうえでの開発目標として挙げられる見通しである。SMIDEC は SME Corp. に改組されたのちも政策実現を担う機関としてその重要性は更に重視されることになろう。

##### ・組織的観点

SMIDEC において中小企業カウンセラー育成研修は継続的に実施される予定である。一方で、中小企業カウンセラー育成研修を実施する仕組み（現状では企画部が研修を担当）、更なる講師育成（量及び現場経験を積んだ講師の育成）については自立発展性を確保するための検討事項である。

##### ・技術的観点

中小企業カウンセラーに対するアンケート調査では、特に、中小企業側からのアドバイザリーニーズが高い中小企業金融に関する知識について、更に知見を深めたいという結果が出ている。一方、本研修に協力していただいた中小企業側の評価として、中小企業カウンセラーは現場経験に乏しく、これがアドバイザリーサービスの限界になっているとのコメントがあった。また、一般的に中小企業は SMIDEC に対して金融サービスへのアクセスを望む傾向にあるが自社の経営改善等抜本的な改善には関心をもっていない場合も多く、中小企業カウンセラーがいかに中小企業経営者に対して経営改善が有効であるかを啓発することができるかについては、今後の課題であると思われる。

## 2-4 効果発現に貢献した要因

### （１）計画内容に関すること

マレーシア政府はマレーシア国内企業数の約 9 割を占める中小企業の開発について、国際競争力強化、民族間経済格差是正の観点から、重要政策課題として国家開発計画に位置づけ、その取り組みの中核機関として SMIDEC を設立した。本案件はこのような政策的妥当性が極めて高く、かつ、急速に組織を拡大する SMIDEC の人材育成ニーズと合致した案件である。



一方で、マレーシアには日系及び外資による電気電子産業が多数進出しており、その裾野産業育成は将来的に日本及びマレーシア両国の相互利益となることから、日本・マレーシア経済連携協定における日本側技術協力分野のひとつとして中小企業振興分野が挙げられている。

また、日本は中小企業振興政策において先進的事例も多く、中小企業診断士制度等、独自の発展を遂げているところ、わが国の制度がマレーシアの参考になるところも数多い。特に、本研修コースでは中小企業診断士制度に倣い研修科目を設定し、初歩的な内容の教材を作成して講座運営にあたったため、中小企業カウンセラーとして基礎的な項目については包括的に学ぶ機会を提供することができたと考えられる。

このように、政策的妥当性が極めて高く、その政策実現を担う機関のニーズに応える協力内容であったこと、わが国の中小企業政策の経験等が、本計画が円滑に進捗した要因であるといえることができる。

## (2) 実施プロセスに関すること

本研修コースでは、座学のほかに、総合技術としての「企業診断」の現地研修を取り入れた。この現地研修では、1週間かけて複数の中小企業に出向いて情報収集、インタビューを行い、最終的に企業に対する提言をまとめる実習を行った。研修参加者の多くにとっては初めてとなるこの実習について、特に高い評価が寄せられており、このような実習の繰り返しで中小企業カウンセラーを育成するうえで重要であることが教訓として理解できた。また、座学、実習では経験豊かな中小企業診断士が講師を担当しており、これら講師の豊富な経験に裏打ちされた講座は研修参加者にとって良い刺激になったことも挙げられる。

## 2-5 問題点及び問題を惹起した要因

### (1) 計画内容に関すること

特に指摘すべき要因は存在しない。なお、成果「② 中小企業カウンセラーの教官が適切に育成される」について、本案件では座学を担当できるレベルの教官を育成することが到達目標であった。中小企業支援を実践する組織における教官になるためには、特に企業診断経験を積み、分析的に経験を整理し、アドバイザーにつなげてゆく努力・研鑽が必要である。

### (2) 実施プロセスに関すること

特に指摘すべき要因は存在しない。

## 2-6 結 論

マレーシア国家開発計画等に中小企業振興が重点課題として掲げられているところ、政策的妥当性は極めて高く、SMIDECの人材育成ニーズにも合致した案件である。本案件は、今後増加してゆくであろう中小企業に対するアドバイザーサービスに係る人材育成に取り組み、中小企業支援を行うにあたり基礎的な知識を有する68名の中小企業支援カウンセラーを輩出した点で、有効性及びインパクトも高いと評価できる。日本側、マレーシア側共にプロジェクト目標達成に向けて教材整備、研修施設手配、適切な講師派遣等の投入を行ったが、マレーシア側の

SMIDEC 以外の組織からの研修参加が促進されれば更に効率的であったと考えられる。政策的背景から本案件の自立発展性は高いといえるが、本案件を通して育成された教官は座学を担当できるレベルであり、本案件の目標は達成されたということはできるが、今後、中小企業に対するアドバイザーサービスの実務・経験を積んだ教官が育成される必要性が認められる。

## 2-7 提 言

### (1) 中小企業カウンセラーに対する研修コース整備について

SMIDEC において、2 種類の研修コースを整備することが望まれる。

#### ① 中小企業カウンセラー育成コース（基礎）

中小企業カウンセラーとしての基礎的知識を身に着けた人材を育成するための研修コースであり、本案件により提供された研修内容を基に、教材等を改善して SMIDEC により運営されるコース。

#### ② 中小企業カウンセラー指導者育成コース（応用）

中小企業カウンセラーのなかでも後進を指導する人材を育成するための研修コースであり、中小企業アドバイザーサービスの実務・経験を重視したコース。

### (2) 分野包括的なカウンセリングチームの組織化

企業診断においては、税務・財務、生産管理、金融、マーケティング等の包括的知見が必要となるため、各専門性を有するカウンセラーがチームを組んで対応する仕組みを設けることが望ましい。

### (3) 中小企業支援にかかわる組織の研修への参加奨励

広く人材育成を進めてゆくためには、中小企業支援にかかわる組織（生産性公社、中小企業銀行、起業家組合省傘下の財団等）の研修への参加奨励が望ましい。

### (4) 組織内の継続的人材育成

中小企業カウンセラー育成研修を実施する仕組み、及び、更なる講師育成（量及び現場経験を積んだ講師の育成）については自立発展性を確保するためにも SMIDEC における取り組みが必要である。

### (5) 中小企業経営者に対する啓発活動

一般的に中小企業は簿記、5S、改善活動等は知っているが、企業経営にとってどのように役立つのかを知らない場合も多い。マレーシアの中小企業の経営、技術力高度化のためには、SMIDEC が、中小企業経営者に対し、経営改善に関する基本的かつ日常的な取り組みが重要である点を啓発してゆく必要がある。

## 2-8 教訓（当該プロジェクトから導き出された他の類似プロジェクトの発掘・形成、実施、運営管理に参考となる事柄）

日本の中小企業診断士制度を模範として、SMIDEC の人材育成において必要な部分に絞って研修教材を作成したこと、SMIDEC の要望に沿って研修コースのなかに企業診断の講座を設定し、実際に企業を訪問してアドバイザリーサービスを行う工夫をしたことは、今後同種の案件を実施するうえでも効果的な研修につながると思われる。

プロジェクトに対する SMIDEC 経営層の関心の高さ、経済産業大臣の新聞報道におけるプロジェクトへの言及等を通して、SMIDEC が金融や補助金のみではなく、中小企業に対するアドバイザリーサービスに本腰を入れて取り組んでいるという広報へつながった。また、SMIDEC 職員においても、中小企業支援の主体者としての自覚を再認識する機会となった。

## 2-9 特記事項

2009 年度新規要請案件として、マレーシア政府から中小企業カウンセラー講師育成に係る技術協力、及び、金融カウンセラー育成に関する技術協力の要請が上げられており、日本政府により採択の検討が行われているところである。



## 付 属 資 料

ミニッツ



**MINUTES OF MEETING  
BETWEEN THE JAPANESE TERMINAL EVALUATION TEAM  
AND  
THE AUTHORITIES CONCERNED OF THE GOVERNMENT OF MALAYSIA  
FOR THE  
DEVELOPMENT OF HUMAN RESOURCES FOR SMALL AND MEDIUM  
INDUSTRIES DEVELOPMENT CORPORATION**

The Japanese Terminal Evaluation Team (hereinafter referred to as "the Team"), organised by the Japan International Cooperation Agency (hereafter referred to as "JICA") and headed by Ms. Noriko Suzuki, Chief Representative of JICA Malaysia Office, exchanged views and had a series of discussions with Small and Medium Industries Development Corporation (hereinafter referred to as "SMIDEC") for the purpose to evaluate the implementation and achievement of the project for Development of Human Resources for Small Medium Industries Development Corporation (hereinafter referred to as "the Project") based on the Record of Discussions signed on May 10<sup>th</sup> 2006.

As a result of the discussions, the Team and SMIDEC agreed to recommend to their respective Governments the matters attached hereto.

Kuala Lumpur, December 26, 2008



**Ms. Noriko Suzuki**  
Chief Representative  
JICA Malaysia Office



**Dato' Hafsah Hashim**  
Chief Executive Officer/  
Small and Medium Industries  
Development Corporation

## **ATTACHED DOCUMENT**

### **1. Introduction**

#### **1.1 Brief Background of the Project**

Malaysian SMEs face basic challenges and concerns facing them both in the domestic as well as in the international. Negotiations in the World Trade Organisation and the ASEAN Free Trade Agreement (AFTA) have led to intensified competition in both export and domestic markets. The basic issues faced by the SMEs that need addressing include market access, access to financing, low level of financial capabilities, low level of R&D, shortage of skilled workers and access to information.

In response to these challenges and the developments in the regional and global markets, the Government of Malaysia has introduced initiatives and programmes to enhance the competitiveness of SMEs. Established in 1996, SMIDEC is a specialised agency to further promote the development of SMEs in the manufacturing, manufacturing related and the services sectors through the provision of advisory services, fiscal and financial assistance facilities, market access and other support programmes. SMIDEC strives to create resilient and efficient SMEs, able to compete in a liberalised market environment. The Corporation promotes SMEs to be an integral part of the country's industrial development capable of producing high value-added parts, components and finished products. SMIDEC serves as the national focal point for the overall development of SMEs in the country.

The reorganisation of SMIDEC in 2002 and increase in the number of staff reflects the importance placed on the development of SMEs in Malaysia's industrialisation process. The technical cooperation project is to equip the staff of SMIDEC with exposure, information and knowledge in order to carry out their tasks to promote the development of SMEs in Malaysia.

Based on the official request from the Malaysian Government, JICA and SMIDEC have jointly implemented the Project for three years since May 2006, and various activities have been carried out as shown in the Project Design Matrix (PDM) (See **page 31 of the Appendix 2**). The Project is scheduled to be completed in March 2009.

#### **1.2 Duration of Technical Cooperation**

Three years from May 2006 to March 2009

#### **1.3 Objectives of the Project**

##### **- Overall Goal**

Considerable number of SMEs in Malaysia becomes productivity- driven, technologically capable and globally competitive by receiving SMIDEC's services.

##### **- Project Purpose**

SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through the training of SMIDEC staff, who can analyse SMEs' problems and needs and provide preliminary (not highly technical) advices to SMEs.

#### **1.4 Implementing Agency**

Small and Medium Industries Development Corporation (SMIDEC)

#### **1.5 Attendants List**



The names of the attendees of the Joint Coordinating Committee Meeting are listed in **Appendix 1**.

## **2. Results of Evaluation**

### **2.1 Project Input**

#### **(1) Input from Japanese side**

The Japanese side dispatched 6 short-term experts (total 28 Man/Month) in various fields since the commencement of the Project. Their names and specialities are listed in **page 9 of the Appendix 2**.

5 Malaysian counterparts were trained and another 5 counterparts will be trained in Feb. 2009 at various institutes in Japan. Their names are listed in **page 43 of the Appendix 2**.

The Japanese side supported the Project expenses of 157.8 million Yen.

#### **(2) Input from the Malaysian side**

During the Project period, Malaysia provided office space and facilities at SMIDEC, substantial amount of operational cost and human resources other than the counterparts. The Malaysian side supported the operational expenses amounting RM113, 583.00 to the Project.

### **2.2 Project Performance and Achievements**

#### **2.2.1 Activities**

Based on the progress reports of the project, most of the activities were conducted in a timely manner according to the plan. The implementation of the Project was carried out in two phases. The **first phase**, which entailed the **Development of the Training Programme**, was conducted during the first five months of the Project period. Under the first phase of the Project, the training needs of SMIDEC and the other relevant agencies were analysed and based on the results the training programme was designed together with the implementation manuals. The teaching materials for the courses were also developed.

The **second phase** of the Project entailed the **Implementation of the Training Programme**. The training programmes for the SME Counselors were conducted over a period of two years and six months. Each batch of training entailed 180 hours and the scope focused on six main topics: (i) basic knowledge on SME counselling (18 hours); (ii) financial management and accounting (30 hours); (iii) tax laws and tax management (12 hours); (iv) production management (30 hours); (v) marketing (30 hours); and (vi) corporate diagnosis (60 hours).

The training of the SME Counselors was divided into five batches of about 16 participants each with each training course spread over a six-month period. By repeating the process of programme implementation, the monitoring and feedback enabled periodic review and modification of the training programme to address the training results and problems, the level of understanding of the participants, their opinions and other factors. The teaching materials were also reviewed, updated and/or revised.

### 2.2.2 Output

It is considered that the **Output 1**, i.e. “**SME Counselors are appropriately trained**”, was satisfactorily achieved. As of the current status, 68 participants took part in the training programmes: 57 participants (84%) from SMIDEC, while the other agencies sent 11 participants. It is noted that all the trained staff from SMIDEC are still currently working for SMIDEC.

The achievement of **Output 2**, i.e. “**Trainers for Counselor Training are appropriately trained**”, was fairly satisfactory. The Project target is to train ten (10) trainers to become instructors after the completion of the Project. The first batch of five (5) counsellors selected to participate in the Training of Trainers were sent for Counselor Training in Japan from November 10-28, 2007. All the five Trainers are still with SMIDEC. Since completion of the training in Japan, the Trainers have been assisting the JICA experts in the training programmes of the SME Counselors as training assistants. This is part of the on-the-job-training (OJT).

### 2.2.3 Project Purpose

As a whole the Project Purpose that, “SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through the training of SMIDEC staff, who can analyse SMEs’ problems and needs and provide preliminary (and not highly technical) advices to SMEs”, was moderately achieved.

The numbers of activities undertaken as SMIDEC programmes have increased from 17 in 2005 to 21 in 2008.

The number of SMEs receiving advisory services by SMIDEC increased from 188,093 in 2006 to 219,904 in 2007 while the number of SMEs receiving Market Development Grant (MDG) has also increased (2006:1,754; 2007: 2,196) as in the number of SMEs participating in international trade missions and fairs (2006: 2,631; 2007: 3,294).

The SME survey findings show that about 54 per cent of the SME respondents that have used SMIDEC advisory services indicated that they were satisfied with SMIDEC services whereas 46 per cent reported that the SMIDEC advisory services was just average. However, about 61 per cent of the SME respondents did not seek advice from the SME counsellors to address their major issues or challenges. Almost all of the respondents who had sought advice from the respondents were for funding.

Almost all the SME’s respondents indicated that they would go to SMIDEC for future advisory services. Of these, 39 per cent said they would like to obtain funding for business expansion; 44 per cent stated that the SMIDEC is now more proactive and friendly, while 17 per cent did not state the reasons.

## 2.3 Analysis Based on Evaluation Criteria

### (1) Relevance

“Relevance” is referred to the validity of the Project Purpose and the Overall Goal in consistence with the development policy of the Malaysian government and the needs of beneficiaries.

The relevance of the Project is very high as it addresses an urgent need for enhancing the capacity of SMIDEC as a lead agency and national focal point to support the overall development of SMEs in Malaysia. This is especially as SMIDEC aims to create resilient and efficient SMEs that are able to compete in a liberalised market environment.

## **(2) Effectiveness**

"Effectiveness" measure to what extent the Project Purpose has been achieved, or is expected to be achieved, as a result of the output produced by the project.

Effectiveness is evaluated high based on the following facts:

- 68 Counselors have participated in the series of training provided by the Project. Participation from SMIDEC (57) was higher than originally planned (44).
- Most of the SMEs that received consulting services from the SME Counselors are satisfied and appreciated the services.
- Five (5) top participants were selected as trainers from Batch 1 and 2 and they acted as teaching assistants to the JICA experts for the subsequent training batches. Five (5) more participants have been selected as trainers from Batch 3 and 4.
- 95 per cent of the respondents of SME counsellors indicated that their analysis skills and knowledge of SMEs have improved as a result of the Project. In fact, overall 69 per cent of the respondents agree/fully agree that through the training received from the Project, they can effectively support SMEs in general SME counselling, management, marketing and financial support services

## **(3) Efficiency**

"Efficiency" is analyzed with an emphasis on the relationship between outputs and inputs in terms of timing, quality and quantity.

The efficiency of the Project was satisfactory as sufficient activities were planned to produce the scheduled outputs as specified in the PDM. Most of the tasks were conducted in a timely manner, except for two matters: (i) the postponement in the sending of the second batch of Trainers for training in Japan so as to coincide with the availability of the Team Leader in Japan to support the participants during their visit; (ii) the lack of response from other agencies to send their staff to the SME Counselor training session. Overall, the key activities of the Project were considered to have been conducted promptly. In terms of inputs provided by the Malaysian side as well as by the Japanese side, the inputs were adequate.

## **(4) Impact**

"Impact" examines the indirect effects and extended effects by the project in the long run. The analysis also includes the positive and negative impacts that were not expected when the project was planned.

**Preliminary impacts:** To work towards broader development results of the Project, SMIDEC has taken steps to ensure that SME counselling and advisory services will be available not only at the headquarters in KL but also in the regional offices, and later on in the state offices. Plans to expand the staffing at SMIDEC to provide the services will help to achieve the goal. This will facilitate SMEs that need the services of SMIDEC.

**Unexpected Impact:** The corporate diagnostic exercises carried out as part of training for the Project has enabled the participating SMEs to realise some of their strengths and weaknesses. Feedback from some of the SMEs shows that they are keen to work with

SMIDEC to address their challenges. More SMEs are becoming aware that the services that are offered by SMIDEC go beyond providing financial grants.

**(5) Sustainability**

“Sustainability” is evaluated from the viewpoints of political, institutional, financial and technical aspects, and examines the current extent to what the achievement of the project was sustained or expanded.

**Policy Aspect**

The SME sector remains a key thrust in the Malaysian development plans. Various incentives and funds under the Third Industrial Master Plan (IMP3) have been made available to enable SMEs to develop and grow. In view of this, the focus has been to strengthen the capacity of SMIDEC as the focal point for SMEs. This demonstrates the sustainability of the Project from the policy aspect.

**Organisational & Staffing Aspects**

All the SME Counselors and Trainers are still with SMIDEC. The training will however need to be a continuous process for the SME Counselors so that they are abreast with changes in technology as well as the economic issues. The absence of a full-fledged SME Counselling Division and a dedicated Training Unit may have a bearing on the sustainability of the Project.

**Financial Aspect**

As SMIDEC falls under the jurisdiction of the Ministry of International Trade and Industry (MITI), funds for both operational and development expenditure are provided by the government. Currently, the budget allocation from the Government both in terms of operational expenses as well as for the development fund has been utilised to support the various SME programmes implemented by SMIDEC. Even though, SMIDEC will be transformed to “SME Corp. Malaysia” in January 2009, it is still under the jurisdiction of the MITI.

**Technical Aspect**

Feedback from the survey of SME Counselors shows that 77% of them rated the Project training as useful/very useful to their current job. However, SME Counselors felt that they need experience of advisory services to SMEs, especially on SME finance, to be effective and useful to SMEs. Some of the SMEs also expressed concern regarding the limited experience of the SME Counsellors. This limits their ability to provide the advisory services to the SMEs. However while SMEs would turn to SMIDEC for assistance in funding, less than 30% of the SMEs would seek their advice on issues such as technology, skilled manpower, competition, availability of raw materials. The training provided so far is just the start and continued training will be required to upgrade the knowledge and skills of the SME Counselors and Trainers.

### 3. Conclusion

In terms of **relevance**, the Project is in line with the needs of SME development in Malaysia. It is also relevant to the needs of SMIDEC and to the development policy of the country. The Project also falls within the current priority areas of JICA's technical cooperation with Malaysia and Japan's advantage in development of SMEs. In terms of **effectiveness** the Project has been satisfactory as SMEs that utilised the advisory services indicated that they were generally satisfied with the advisory services. In terms of **efficiency**, the Project was implemented as per the Plan of Operation.

Although the Project has provided basic training to support the advisory services of SMIDEC, overall the level of services that can be provided to SMEs is only at the basic level. Many of the SMEs find that the SME Counselors lack hands on experience and the depth to tend to seek their advice to obtain financial support. In terms of **impact**, the project has enabled SMIDEC to ensure that SME counselling and advisory services will be available not only in KL but also in the regional offices, and later on in the state offices. Plans to expand the staffing at SMIDEC to provide the services will help to achieve the goal. This will facilitate SMEs that need the services of SMIDEC. At the same time, the outcome of the Project has resulted where more SMEs are becoming aware that the services that are offered by SMIDEC go beyond providing financial grants.

However, the evaluation results show that the Project has sustainability in terms of policy, financial and organisational aspects. The concern that arises is the institutional capability to develop the Trainers in order to sustain the training of the SME Counselors without external support after the completion of the Project.

### 4. Lessons learned

This Project has demonstrated the **importance of structured training** for the capacity building of officers required to provide support and advisory services to SMEs. However, continuous training is required to equip them with more knowledge and skills to improve their capacity as SME Counselors.

The Project has also enabled SMIDEC to **build its institutional capacity** to provide better services to SMEs. Many of the SMEs that have interacted with SMIDEC have learned to appreciate the business advisory service and are aware of the wider functions of SMIDEC (i.e. that it is not only limited to funding). Promotion on business advisory service should be carried out to disseminate information of this service to the SMEs.

### 5. Recommendation

Both the Team and SMIDEC agreed to recommend the following matters.

#### (1) Advanced Training for SME Counselors

It is recommended that SMIDEC to organize Two types of training courses for SME counsellors: i) Basic and ii) Advanced. The basic course shall provide general knowledge on SME counselling and other subjects. The training will be more or less the same as the one provided by this Project. The advanced course shall be dedicated to train specialists. Different courses should be designed for different trainees depending on their foundation and background.

**(2) Multidisciplinary Counseling Team**

The “corporate diagnosis” had received positive feedback from both the SME Counselors and SMEs. Thus it is recommended that the business advisory services (BAS) be provided as a **team effort**. The team shall comprise SME Counselors with different skills sets (e.g. those with marketing skills, production skills, financing skills etc.). If necessary, the BAS can draw upon the SME Experts Advisory Panel (SEAP) facilities to augment the skills required to support the SMEs.

**APPENDICES**

Appendix 1: List of Attendance

Appendix 2: Terminal Evaluation Report

## Appendix 1: List of Attendance

### Malaysian Side

Mr. Borhan Sidek  
Deputy Chief Executive Officer, SMIDEC

Ms. Rohana Ramly  
Director of Management Service Division, SMIDEC

Ms. Fadzilah Ahmad Din  
Director of Enterprise Development and Entrepreneurship Division

Mr. Zaky Moh  
Director of Information Technology Division, SMIDEC

Ms. Hilyati Mohd Nasir  
Senior Manager, Director of Enterprise Development and Entrepreneurship Division

Ms. Norliza Mohamad Mokhtar  
Manager of Corporate Communications, SMIDEC

Mr. Azlan Kassim  
Manager of Management Development Training, Malaysia Productivity Corporation (MPC)

Mr. Wan Zainuddin Wan Muda  
SME Bank

### Japanese Side

Mr. Masatoshi Takahashi,  
Senior Representative, JICA Malaysia Office

Mr. Yasuhiro Kawazoe  
Representative, JICA Malaysia Office

### PE Research

Ms Lim Pao Li, Consultant

**TERMINAL EVALUATION STUDY ON  
PROJECT ON HUMAN RESOURCE FOR  
SMALL AND MEDIUM INDUSTRIES  
CORPORATION**

**Evaluation Report**

**November 2008**



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## **PREFACE**

This report is the outcome of the Terminal Evaluation Study on the Project on the Development of Human Resources for the Small and Medium Industries Corporation (SMIDEC) in Malaysia commissioned by JICA Malaysia Office to PE Research.

The objectives of the evaluation study objectives were to verify the important issues relating to the project relevance, effectiveness and efficiency as well as expected impact and sustainability after the project completion as well as to assess the status of preparation of autonomous sustainability.

The study evaluated the project using the five evaluation criteria – relevance, effectiveness, efficiency, impact, relevance and sustainability. In addition, the study also examined the factors that have promoted/inhibited the realisation of the project purpose for capacity building of SMIDEC.

Based on the results of the study, lessons learned and recommendations for future technical cooperation were then presented. It is hoped that JICA would take note of these observations and recommendations for the benefit of similar projects in the future.

PE Research Sdn Bhd

November 15, 2008

## ABBREVIATIONS

9MP	Ninth Malaysia Plan
AFTA	ASEAN Free Trade Agreement
BAS	Business Advisory Services
GDP	Gross Domestic Product
ICT	Information and Communications Technology
IMP3	Third Industrial Master Plan
JICA	Japan International Cooperation Agency
MATRADE	Malaysian External Trade Development Corporation
MITI	Ministry of International Trade and Industry
MJEPA	Malaysia-Japan Economic Partnership Agreement
MPC	Malaysian Productivity Corporation
OJT	On-the-Job-Training
PDM	Project Design Matrix
PO	Plan of Operations
PSMB	<i>Perbadanan Sumber Manusia Berhad</i>
R&D	Research and Development
SEAP	SME Experts Advisory Panel
SCORE	SME Competitive Rating for Enhancement
SME	Small and Medium Enterprises
SMI	Small and Medium Industries
SMIDEC	Small and Medium Industries Development Corporation
WTO	World Trade Organization

# SUMMARY OF EVALUATION RESULTS

<b>1. Outline of the Project</b>		
<b>Country:</b> Malaysia		<b>Project title:</b> TERMINAL EVALUATION STUDY ON THE PROJECT ON DEVELOPMENT OF HUMAN RESOURCE FOR SMALL AND MEDIUM INDUSTRIES DEVELOPMENT CORPORATION
<b>Field:</b> Private Sector Development		<b>Cooperation scheme:</b> Technical Cooperation Project
<b>Section in charge:</b> Manpower Department, Ministry of Human Resources, Malaysia, Japan International Cooperation Agency (JICA)		
<b>Period of Cooperation</b>	May 2006 – May 2009 R/D: May 10 2006	<b>Partner Country's Related Organization(s):</b> Small and Medium Industries Development Corporation (SMIDEC)
		<b>Supporting Organization in Japan:</b> nil
<b>Related Cooperation:</b>		
<b>1-1 Background of the Project</b> <p>Malaysian SMEs face basic challenges and concerns facing them both in the domestic as well as in the international. Negotiations in the World Trade Organisation and the ASEAN Free Trade Agreement (AFTA) have led to intensified competition in both export and domestic markets. The basic issues faced by the SMEs that need addressing include market access, access to financing, low level of financial capabilities, low level of R&amp;D, shortage of skilled workers and access to information.</p> <p>In response to these challenges and the developments in the regional and global markets, the Government of Malaysia has introduced initiatives and programmes to enhance the competitiveness of SMEs. Established in 1996, SMIDEC is a specialised agency to further promote the development of SMEs in the manufacturing sector through the provision of advisory services, fiscal and financial assistance facilities, market access and other support programmes. SMIDEC strives to create resilient and efficient SMEs, able to compete in a liberalised market environment. The corporation promotes SMEs to be an integral part of the country's components and finished products. SMIDEC serves as the national focal point for the overall development of SMEs in the country.</p> <p>The reorganisation of SMIDEC in 2002 and increase in the number of staff reflects the importance placed on the development of SMEs in Malaysia's industrialisation process. The technical cooperation project is to equip the staff of SMIDEC with exposure, information and knowledge to carry out their tasks to promote the development of SMEs in Malaysia.</p> <p>This terminal evaluation is conducted to find out whether JICA should terminate the project as scheduled or to extend another technical assistance.</p>		

<b>1-2 Project Overview</b>		
This technical cooperation project aims human resource development of staff in SMIDEC to support improvement of management skill and technology of SMEs. In this regard, training courses on corporate management, marketing, taxation, financial management, and corporate diagnosis are provided for them. The project invited other SME related organizations, such as Malaysia Productivity Corporation, SME Bank, Human Resource Fund, to improve capacity and quality of supports for SMEs.		
<b>(1) Overall Goal</b>	Considerable numbers of SMEs in Malaysia become productivity driven, technologically capable and globally competitive by receiving SMIDEC's services.	
<b>(2) Project Purpose</b>	SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through the training of SMIDEC staff, who can analyse SMEs' problems and needs and provide preliminary (not highly technical) advices to SMEs.	
<b>(3) Outputs</b>	1) SME Counselors are appropriately trained. 2) Trainers for Counselor Training are appropriately trained.	
<b>(4) Inputs</b>	<b>Japanese side:</b>	
	Long-term Expert	nil
	Short-term Expert	6 Japanese experts (total 28 man months): Hiroshi Hasegawa (Team Leader) Yuzo Arai (Corporate Diagnosis) Yoichi Yamazaki (Corporate Diagnosis and Marketing) Hiromichi Kato (Financial Management and Management Accounting) Takeo Kawagoe (Production Management) Toshiyuki Osumi (Marketing)  1 Malaysian expert: ONG Gim Yan (Malaysian Tax)
	Cost	¥157.8 million:
	<b>Malaysia's side:</b>	
	Counterparts trained	68 SME Counselors and 10 Trainers
	Buildings and Facilities	Office space, training facilities, support equipment
	Cost	RM 133,853
<b>2. Evaluation Team:</b> PE Research Sdn Bhd (commissioned by JICA Malaysia Office)		

<b>Members of Evaluation Team</b>	Kawazoe Yasuhiro (JICA Malaysia Office) Lim Pao Li (Senior Researcher) Chong Siew Kook (Researcher)																						
<b>Period of evaluation</b>	September 15 – November 14, 2008	<b>Type of Evaluation:</b> Terminal Evaluation																					
<b>3. Results of Evaluation</b>																							
<b>3-1 Results</b>																							
3-1-1 Activities																							
<p>The curriculum and training materials as mentioned below are developed by the Project to develop human resources for supporting SMEs. In order to encourage participation for the lectures and trainings, the Project organizes credit system for each topics of lectures and provides credits for participants who are satisfied the participation, table tests and practice. Participants who earned all credits (total 60 credits) are certified as “SME counselor”</p> <table> <tr> <td>(1) Basic of SME Counselling</td> <td>2 credits</td> <td>Evaluated by reports</td> </tr> <tr> <td>(2) Corporate Management</td> <td>2 credits</td> <td>Evaluated by reports</td> </tr> <tr> <td>(3) Tax law, Taxation</td> <td>4 credits</td> <td>Evaluated by reports</td> </tr> <tr> <td>(4) Financial Management</td> <td>10 credits</td> <td>Evaluation by table test</td> </tr> <tr> <td>(5) Production Management</td> <td>10 credits</td> <td>Evaluation by table test</td> </tr> <tr> <td>(6) Marketing</td> <td>10 credits</td> <td>Evaluated by table tests</td> </tr> <tr> <td>(7) Corporate Diagnosis</td> <td>20 credits</td> <td>Evaluated by practice</td> </tr> </table> <p>The trainings are conducted for total 5 batches (6 month training for each batch) from October 2006 to March 2009. Within the 6 month, lectures and practices are provided for 2 weeks × 5 times (total 10 weeks) to avoid participants leaving their daily task.</p> <p>The project reviews the result of training and effectiveness of training material and makes revises to improve the training.</p>			(1) Basic of SME Counselling	2 credits	Evaluated by reports	(2) Corporate Management	2 credits	Evaluated by reports	(3) Tax law, Taxation	4 credits	Evaluated by reports	(4) Financial Management	10 credits	Evaluation by table test	(5) Production Management	10 credits	Evaluation by table test	(6) Marketing	10 credits	Evaluated by table tests	(7) Corporate Diagnosis	20 credits	Evaluated by practice
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(6) Marketing	10 credits	Evaluated by table tests																					
(7) Corporate Diagnosis	20 credits	Evaluated by practice																					
3-1-2 Outputs																							
<p>There will be 68 certified SME counsellors as a result of the Project activities. These SME counsellors are facilitated with skills and knowledge on corporate management, tax law and taxation, financial management, production management, marketing an corporate diagnosis that are required for conducting advisory services for SMEs. There are 57 SME counsellors of SMIDEC while other 11 SME counsellors are from Malaysia Productivity Corporation, SME Bank and Human Resource Development Fund. The number of certified staff of SMIDEC is satisfactory (original target was 50 staff) while the number of certified staff of other SME related organizations is not satisfactory (original target was 30 staff). This is because SMIDEC, that is an implementation agency of the project, encourages participation of their staff for the training but didn't so for other agencies. In this regard, the project is in success for human resource development in SMIDEC but needed revises for participation of other agencies.</p> <p>Regarding the development of trainers of SME counsellors, 10 personnel form 57 SME counsellors are selected as qualified personnel for the trainers. However, according to the result of interviews for them, they are not so confident to conduct lectures and trainings. It seems that the additional support for these potential trainers to facilitate training method and field practice for their confident as lecturers.</p>																							



### 3-1-3 Project Purpose

The number of demands on advisory services for SMIDEC is increasing while the companies that accepted participants of training course to conduct corporate diagnosis practice appreciated their effort and advices. By taking this account, SMIDEC is in success of developing their status for providing effective services for SMEs.

## 3-1 Summary of Evaluation Results

### (1) Relevance

The relevance of the Project is very high as it addresses an urgent need for enhancing the capacity of SMIDEC as a lead agency and national focal point to support the overall development of SMEs in Malaysia. This is especially as SMIDEC aims to create resilient and efficient SMIs that are able to compete in a liberalised market environment.

#### ***Relevance to the needs of SME development in Malaysia***

The Project is very relevant to needs of SMEs who face challenges with respect to market access, access to financing, low level of technological capabilities, low level of R&D, shortage of skilled workforce and access to information. SMEs also find that there is a lack of advisory services in the domestic market.

#### ***Relevance to the needs of the SMIDEC***

SMIDEC provides advisory services, fiscal and financial assistance, infrastructural facilities, market access and other support programmes. To meet the increasing and challenging requests from Malaysian SMEs, the staff of SMIDEC needs to be equipped with the necessary skills, exposure and knowledge to enable them to carry out their tasks. SMIDEC as the National SME Focal Point to “instituting a more cohesive and supportive regulatory and institutional framework”.

#### ***Relevance to the development policy of Malaysia***

The Project and its overall goal and project purpose are consistent with the national development policy: The Third Outline Perspective Plan (2001-2010) emphasises on the need for productivity improvement to ensure economic growth in Malaysia; the Third Industrial Master Plan (2006-2020) emphasises on “enhancing the competitiveness of SMEs”. The Project is listed in the technical cooperation agreed by the Japanese Government in the Malaysia-Japan Economic Partnership Agreement (MJEPA).

#### ***Relevance of project design and approach***

Feedback from the survey of SME counsellors show that most of the respondents indicated that the project was appropriate to address the challenges and needs of SMEs.

#### ***Relevance to the priority areas of JICA's technical cooperation & technical advantage of Japan***

The Project is relevant to Japan's Country Assistance Program for Malaysia which was formulated by Ministry of Foreign Affairs of Japan (February 2002) as it falls within the priority sector and theme of “cultivating human resources equipped with high-level knowledge and skills”. Furthermore the Project falls within JICA's technical cooperation priority aid area - in training and capacity building of Human Resources Development.

## **(2) Effectiveness**

The **achievement of the project purpose** by the time of project completion as measured by the objectively verifiable indicators<sup>1</sup> has shown improvements:

- Increase in the numbers of SMIDEC programmes from 17 (2005) to 21 (2008).
- Increase in the number of SMEs receiving advisory services from 188,093 (2006) to 219,904 (2007).
- Increase in the number of SMEs receiving Market Development Grant (MDG) (2006:1,754; 2007: 2,196)
- Increase in the number of SMEs participating in international trade missions and fairs (2006: 2,631; 2007: 3,294).

At the same time, it can be regarded that the project purpose has largely been achieved based on the following facts:

- 68 Counselors have participated in the series of training provided by the Project. Participation from SMIDEC (57) was higher than originally planned (44); however participation from other agencies was below the target. This is because the training schedule is mainly initiated in accordance with a convenience of SMIDEC.
- The SMEs that received consulting services from SME counselors are mostly satisfied and appreciated the services.
- Five (5) efficient participants were selected as trainers from Batches 1 and 2 and they acted as teaching assistants to the JICA experts for later training batches. Five (5) more participants have been selected as trainers from the later batches.
- 95 per cent of the respondents of SME counsellors indicated that their analysis skills and knowledge of SMEs have improved as a result of the Project. In fact, overall 69 per cent of the respondents agree/fully agree that through the training received from the Project, they can effectively support SMEs in general SME counselling, management, marketing and financial support services

## **(3) Efficiency**

The efficiency of the Project was satisfactory as sufficient activities were planned to produce the scheduled outputs as specified in the PDM. Most of the tasks were conducted in a timely manner, except for two matters: (i) the postponement in the sending of the second batch of Trainers for training in Japan so as to coincide with the availability of the Team Leader in Japan to support the participants during their visit; (ii) the lack of response from other agencies to send their staff to the SME Counselor training session. Overall, the key activities of the Project were considered to have been conducted promptly. In terms of inputs provided by the Malaysian side as well as by the Japanese side, the inputs were adequate.

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<sup>1</sup> See PDM in Annex 1.

#### **(4) Impact**

**Preliminary impacts:** To work towards broader development results of the Project, SMIDEC has taken steps to ensure that SME counselling and advisory services will be available not only at the headquarters in KL but also in the regional offices, and later on in the state offices. Plans to expand the staffing at SMIDEC to provide the services will help to achieve the goal. This will facilitate SMEs that need the services of SMIDEC.

**Unexpected Impact:** The corporate diagnostic exercises carried out as part of training for the Project has enabled the participating SMEs to realise some of their strengths and weaknesses. Feedback from some of the SMEs shows that they are keen to work with SMIDEC to address their challenges. More SMEs are becoming aware that the services that are offered by SMIDEC go beyond providing financial grants.

#### **(5) Sustainability**

##### ***Policy Aspect***

The SME sector remains a key thrust in the Malaysian development plans. Various incentives and funds under the Third Industrial Master Plan (IMP3) have been made available to enable SMEs to develop and grow. All these fall under the purview of SMIDEC. In view of this, the focus has been to strengthen the capacity of SMIDEC as the focal point for SMEs. This demonstrates that there is sustainability of the Project from the policy aspect.

##### ***Organisational & Staffing Aspects***

All the SME Counselors and Trainers are still with SMIDEC. The training will however need to be a continuous process for the SME Counselors so that they are abreast with changes in technology as well as the economic issues. The absence of a full-fledged SME Counselling Division and a dedicated Training Unit may have a bearing on the sustainability of the Project.

##### ***Financial Aspect***

As SMIDEC falls under the jurisdiction of the Ministry of International Trade and Industry (MITI), funds for both operational and development expenditure are provided by the government. So far the government budget allocation has kept SMIDEC sustainable both in terms of operational expenses as well as for the development fund which is used support the various SME programmes. SMIDEC will be reformed to “SME Corp.” in January 2009 but the situation will be consistent with the current situation since “SME Corp.” is also under the jurisdiction of the Ministry.

##### ***Technical Aspect***

Feedback from the survey of SME Counselors shows that 77% of them rated the Project training as useful/very useful to their current job. However, SME Counselors felt that they need experience of advisory services to SMEs, especially on SME finance, to be effective and useful to SMEs. Some of the SMEs also expressed concern regarding the limited experience of the SME Counsellors. This limits their ability to provide the advisory services to the SMEs. However while SMEs would turn to SMIDEC for assistance in funding, less than 30% of the SMEs would seek their advice on issues such as technology, skilled manpower, competition, availability of raw materials. The training provided so far is just the start and continued training will be required to upgrade the knowledge and skills of the SME Counselors and Trainers.

### **3-2 Factors that have promoted the Realisation of Effects**

#### **(1) Factors related to planning**

To ensure the sustainability and impact of the Project, the Government of Malaysia has made SMIDEC as the National Focal Point for SMEs. Under the 9MP, SMIDEC has planned to expand its staffing as well as to set up state offices to reach out to SMEs. There are also plans to train more SME Counselors who would be posted to the state/regional offices so that they can reach out to the SMEs in the various regions and states. SMIDEC has also placed emphasis on capacity development of the staff and is seeking support from JICA for a second phase of the Project for development of more specific and skilled trainers.

#### **(2) Factors related to the implementation process**

The training programme has created greater awareness and understanding of the challenges and issues facing SMEs. More importantly, the training provided has “energised” many of the SME Counselors, and has equipped them with the basic skills to provide advisory services to SMEs. Many of the SME Counselors have indicated their interest to have more hands-on “field” experience on corporate diagnosis so that they can assist the SMEs. The positive attitude among the SMI Counselors is a key factor that has promoted the sustainability and impact of the project.

### **3-3 Factors that have impeded the Realisation of Effects**

#### **(1) Factors related to planning**

No impeding factors affecting the project have been confirmed so far.

#### **(2) Factors related to the implementation process**

Absence of a dedicated Training Unit and the absence of a Business Advisory Division.

### **3-4 Conclusion**

In terms of **relevance**, the Project is in line with the needs of SME development in Malaysia. It is also relevant to the needs of SMIDEC and to the development policy of the country. The Project also falls within the current priority areas of JICA’s technical cooperation with Malaysia and Japan’s advantage in development of SMEs. In terms of **effectiveness** the Project has been satisfactory as SMEs that utilised the advisory services indicated that they were generally satisfied with the advisory services. In terms of **efficiency**, the Project was implemented as per the Plan of Operation. The key issue here is lack of participation in the training from the other agencies.

Although the Project has provided basic training to support the advisory services of SMIDEC, overall the level of services that can be provided to SMEs is only at the basic level. Many of the SMEs find that the SME Counselors lack hands on experience and the depth to tend to seek their advice to obtain financial support. In terms of **impact**, the project enable SMIDEC to ensure that SME counselling and advisory services will be available not only in KL but also in the regional offices, and later on in the state offices. Plans to expand the staffing at SMIDEC to provide the services will help to achieve the goal. This will facilitate SMEs that need the services of SMIDEC. At the same time, the project contributed that more SMEs are becoming aware that the services that are offered by SMIDEC go beyond providing financial grants.

However, the evaluation results show that the Project has sustainability in terms of policy, financial and organisational aspects, the concern that arises is the institutional capability to develop the Trainers to sustain the training of the SME Counselors without external support after the Project completion.

<b>3-5 Recommendations</b>
<p><b>Training for SME Counselors:</b> It is recommended that SMIDEC will organize 2 training courses of SME counsellors: i) Basic and ii) Advanced. The <u>basic course</u> shall provide general knowledge on SME counselling and other subjects. The training will be more or less the same as the one provided by this Project. The <u>advanced course</u> shall be dedicated to train specialists. Different courses should be designed for different trainees depending on their foundation and background.</p> <p><b>Multidisciplinary Counseling Team:</b> The “corporate diagnosis” had received positive feedback from both the SME Counselors and SMEs. Thus it is recommended that the business advisory services (BAS) be provided as a <b>team effort</b>. The team shall comprise SME Counselors with different skills sets (e.g. those with marketing skills, production skills, financing skills etc.). If necessary, the BAS can draw upon the SME Experts Advisory Panel (SEAP) facilities to augment the skills required to support the SMEs.</p> <p><b>Continuous human resource development in SMIDEC:</b> It is recommended for SMIDEC to establish training management system and increase number of lecturers who have knowledge and experience to ensure sustainability of institutional development of SMIDEC</p> <p><b>Continuous public relation activities for managers of SMEs.</b> Most of managers of SMEs know basic know-how of corporate management, such as book keeping, 5S, KAIZEN, but most of them don’t aware effectiveness of these know-how for improving their business. In order to improve standard of SMEs in management and technology, SMIDEC needs to encourage and support managers of SMEs to improve their daily activities continuously.</p>
<b>3-6 Lessons Learned</b>
<p>This Project has demonstrated the <b>importance of structured training</b> for the capacity building of officers required to provide support and advisory services to SMEs. However, it is advised for SMIDEC that continuous training is required to equip them with more knowledge and skills to improve their capacity as SME Counsellors.</p> <p>The Project has also enabled SMIDEC to <b>build its institutional capacity</b> to provide better services to SMEs. Many of the SMEs that have interacted with SMIDEC have learned to appreciate the business advisory service and are aware of the wider functions of SMIDEC (i.e. that it is not only limited to funding). Promotion on business advisory service should be carried out to disseminate information of this service to the SMEs.</p>
<b>3-7 Follow-up Situation</b>
None

# **1. SCOPE OF EVALUATION STUDY**

## **1.1 Background and Goal of Evaluation**

The project on Development of Human Resources for the Small and Medium Industries Corporation (SMIDEC) was launched in May 2006 based on the request from the Government of Malaysia for technical cooperation project to become an agency that can effectively support SMEs in management and marketing skills as well as financial support services. This will be done through the training of SMIDEC staff to become SME Counsellors and enable them to analyse the problems of SMEs and needs so that they can provide preliminary (not highly technical) advice to SMEs.

Since the project is scheduled to end in May 2009, Japan International Cooperation Agency (JICA) Malaysia Representative Office has decided to conduct a Terminal Evaluation to assess the performance of the Project. The results of this evaluation study will contribute to better-informed and improved operation, and will be shared with SMIDEC. The terminal evaluation will also provide the necessary information to see if JICA should terminate the project as scheduled or to extend another technical assistance.

The purpose of the study is to verify the important issues relating to the project relevance, effectiveness and efficiency as well as expected impact and sustainability after the project completion. It also aims to assess the status of preparation of autonomous sustainability to see if JICA should terminate the project as scheduled or extend another technical assistance after the completion of the project.

## **1.2 Project Team and Time Frame**

The terminal evaluation is conducted by PE Research Sdn Bhd and the project team comprise the following:

Senior Researcher: Lim Pao Li

Researcher/Evaluation Analyst: Chong Slew Kook

The terminal evaluation was conducted from September 15 – November 14, 2008.

## 1.3 Project Overview

### 1.3.1 Background of Project

The principal statistics of the manufacturing sector show that small and medium industries (SMIs)<sup>2</sup> account for more than 90 per cent of firms in the manufacturing sector. These SMIs play a critical role in terms of employment creation as well as contribution to output and GDP. During the period 2003 - 2007, the SMIs account for between 16 and 31 per cent of manufacturing output, between 17 and 26 per cent of value-added and between 25 and 32 per cent of manufacturing employment (**Table 1.1**).

**Table 1.1: Principal Statistics of SMIs in Manufacturing Sector**

Year	Output		Value-added		Employment	
	RM Million	As Share of Manufacturing sector	RM Million	As Share of Manufacturing sector	No.	As Share of Manufacturing sector
2003	64,100	16.2%	12,900	17.4%	302,172	25.3%
2004	75,200	29.3%	15,200	25.5%	384,935	31.0%
2005	81,700	29.6%	16,600	25.9%	394,670	31.1%
2006	88,265	29.3%	17,798	25.7%	402,497	31.2%
2007	94,356	30.7%	19,251	26.3%	413,397	31.6%

Source: SMIDEC Annual Reports, various years.

Negotiations in the World Trade Organization (WTO) and the ASEAN Free Trade Agreement (AFTA) have led to intensified competition in both the export as well as the domestic markets. As a result, Malaysian SMEs are increasingly facing basic challenges and concerns both domestically as well as in the international markets including:

- Market access;
- Access to financing;
- Low level of technological capabilities;
- Low level of R&D;
- Shortage of skilled workforce; and
- Access to information.

<sup>2</sup> Definitions of Small and Medium Enterprises:

For Manufacturing, Manufacturing-Related Services and Agro-based industries - "Small and medium enterprises in the manufacturing, manufacturing related services and agro-based industries are enterprises with full-time employees not exceeding 150 OR with annual sales turnover not exceeding RM25 million" ;

For Services, Primary Agriculture and Information & Communication Technology (ICT) - "Small and medium enterprises in the services, primary agriculture and Information & Communication Technology (ICT) sectors are enterprises with full-time employees not exceeding 50 OR with annual sales turnover not exceeding RM5 million"

Source: [www.smidec.gov.my](http://www.smidec.gov.my)

In response to these challenges and developments in the regional and global scene, the Government of Malaysia has introduced several initiatives and programmes with the objectives of enhancing the competitiveness of SMEs. The Small and Medium Industries Development Corporation (SMIDEC), which was established in 1996 as a specialised agency to further promote the development of SMI in the manufacturing sector, provides advisory services, fiscal and financial assistance facilities, market access and other support mechanisms.

As the specialised agency for promoting SMI development, SMIDEC recognises the importance of assisting SMEs to be resilient and efficient so that they can compete in a liberalised environment. Towards this end, SMIDEC continues to promote SMEs to be an integral part of the country's industrial development capable of producing high value-added parts, components and finished products. SMIDEC will serve as the national focal point for the overall development of SMEs in the country.

In 2002, SMIDEC was reorganised and the number of staff increased to take on the increasing tasks of supporting SMI development. To equip the staff of SMIDEC with the exposure, information and knowledge to carry out their role effectively, SMIDEC sought the assistance of JICA for a technical cooperation project for capacity development of SMIDEC staff. In response to the request, JICA dispatched Japanese experts to implement the programme and arranged for training of Malaysian personnel in Japan. The three-year programme to train SMI counsellors commenced in May 2006 and will be concluded in May 2009.

### **1.3.2 Summary of Project**

The project has been conducted based on the Project Design Matrix (PDM) and the Plan of Operations (PO) developed and agreed upon in May 2006<sup>3</sup> (see **Annex 1**).

#### **Overall Goal:**

Considerable number of SMEs in Malaysia becomes productivity driven, technologically capable and globally competitive by receiving SMIDEC's services.

#### **Project Purpose:**

SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through the training of SMIDEC staff, who can analyse SMEs' problems and needs and provide preliminary (not highly technical) advices to SMEs.

#### **Outputs:**

Output 1: SME Counsellors are appropriately trained.

Output 2: Trainers for Counsellor Training are appropriately trained

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<sup>3</sup> Record of Discussions between JICA and Authorities Concerned of the Government of Malaysia dated May 10, 2006.



## 2. EVALUATION METHOD

### 2.1 Evaluation Questions, Necessary Data, and Indicators

The objective of the evaluation is to verify the important issues relating to the project relevance, effectiveness and efficiency as well as expected impact and sustainability after the project completion. The main evaluation questions as indicated in the Terms of Reference are listed as follows:

Relevance of Project	<ul style="list-style-type: none"><li>• Has the project addressed urgent and prioritised issue with significant magnitude?</li><li>• Has the project targeted appropriate direct and indirect beneficiaries that have important development needs?</li><li>• Was the project designed and approach to the target issue appropriate?</li></ul>
Effectiveness of Project	<ul style="list-style-type: none"><li>• Is the project expected to achieve the objective stated as project purpose by the time of project completion?</li><li>• Can we verify and justify that the output have attributed to the achievement and realisation of the project purpose, which is assessed on the above?</li></ul>
Efficiency of Project	<ul style="list-style-type: none"><li>• Has the project been cost-effective in comparison similar and/or past project and experiences?</li><li>• Have all output realised as designed and scheduled in logframe?</li><li>• Were all inputs effective and attributable to realise output? Were there any unnecessary or less efficient inputs and activities?</li></ul>
Monitoring and Learning Process	<ul style="list-style-type: none"><li>• Have JICA Office staff in charge of the project, JICA experts, JICA trainers in Japan, and counterpart staffs in the counterpart organisations properly monitored the progress of the project and identified any concern and ideas in an open and honest manner particularly in the terms of the relevance of the project approach, unforeseen external factors?</li><li>• Has the project management been flexible enough to reasonably change their way of thinking and behaviour when they realise any new ideas and concerns?</li><li>• Has the project been open enough to listen to the ideas and concerns to stakeholders such as beneficiaries on the ground and non-governmental organisations?</li></ul>
Expected Impact	<ul style="list-style-type: none"><li>• Has the project developed structure to achieve higher and broader development results such as structure and mechanism</li></ul>

of Project	<p>of knowledge and/or methods sharing?</p> <ul style="list-style-type: none"> <li>• Do we observe any preliminary impact of the project to the development results on the ground?</li> </ul>
Expected Sustainability of Project	<ul style="list-style-type: none"> <li>• Has the project prepared embedded structure of sustainability so that counterpart organisation would start own activities and maintain the outcome of the project without support after completion of the project? Specifically, what kinds of treatment have been done to develop organisational and institutional settings of training or other targeted activities? Has the counterpart organisation developed income generating structure, got any political commitment for budgeting for the future from the higher authority or at least raised another funds from the donors?</li> <li>• How likely are the project outcomes to be maintained?</li> <li>• What are the factors that contribute/inhibit the sustainability of the project outcomes such as appropriateness of the project planning and the technology transferred, and external factors?</li> </ul>
Factors Promoting/ Inhibiting Realisation of Project	<ul style="list-style-type: none"> <li>• What are the major possible causes of promotion and/or inhibition to realisation of the project purpose and how valid are the statements?</li> </ul>
Overall Integrated Evaluation	<ul style="list-style-type: none"> <li>• What is the integrated evaluation based on the above assessment and analyses, in particular from the viewpoint of relevance and effectiveness?</li> </ul>
Recommendations of Mid-term Evaluation Study	<ul style="list-style-type: none"> <li>• Were the recommendations by mid-term evaluation study implemented and executed properly by counterpart and JICA?</li> <li>• Were the above recommendations appropriate from the viewpoints of clear goal settings, time frame, feasibility and responsibility?</li> <li>• What are the possible causes underlying successes and/or failure of realisation of recommendations?</li> </ul>
Recommendations	<ul style="list-style-type: none"> <li>• What should the counterpart and JICA do to realise the project purpose by the completion of the project, in accordance with the above conclusion and analyses on promoting and/or inhibiting factors? Which sections or who are responsible for each action?</li> <li>• What should the counterpart and JICA do to maintain the project purpose and expand its effects after the completion of the project? Which sections or who are responsible for each action? What is the time line for each action?</li> </ul>
Lessons Learned	<ul style="list-style-type: none"> <li>• What are the suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation based on the evaluation study conducted?</li> </ul>

## **2.2 Data Collection and Analysis Methods**

### **2.2.1 Data Collection**

The principal technique used in this evaluation is the logical framework (Logframe) approach. As the starting point, the evaluation referred to the Project Design Matrix as well as the Plan of Operations (**Annex 1**). The data collection entailed literature search on the Project documents; discussions with JICA Malaysia Office and SMIDEC; visits to selected SMEs who have accepted services of SMIDEC; and surveys/interviews with SMIDEC management, SMI Counsellors and Trainers, JICA experts and SMEs using structured questionnaires.

#### ***Preliminary discussions and literature review***

The study team held preliminary discussions with JICA and SMIDEC. The progress reports of the project were reviewed as well as the annual reports of SMIDEC. Other relevant statistics pertaining to SMI development and support were compiled.

#### ***Preparation of an evaluation grid***

An evaluation grid (**Annex 5**) establishes the main questions of the evaluation. Sub-questions were developed alongside the key questions. Indicators were identified (e.g. quality), and their measures were defined (e.g. low to high). Another key aspect was data requirements, sources of data and method of its collection. Hence, the evaluation grid provided the scope of work that was envisaged at the start of the Evaluation, and thus guided the study team in terms of answering the main and sub-questions. The study team had the benefit of information of the Record of Discussions between JICA and SMIDEC as well as the annual progress reports of the project and these were used to prepare the evaluation grid.

Using the evaluation grid, the survey instruments were then developed based on the main and sub-questions. For this evaluation, five different questionnaires (**Annex 6**) were designed, i.e. to the SMIDEC management, the SME Counsellors, the Trainers, SMEs that have utilised the services of SMIDEC and the JICA expert team.

#### ***Surveys and interviews with SMIDEC Management, SMI Counsellors, and Trainers***

The questionnaires were distributed to the SME Counsellors and Trainers with the assistance of SMIDEC. SMIDEC management and all available Trainers were interviewed. The Study Team managed to survey 42 out of the 58 trainees. The list of those interviewed/ surveyed is shown in **Annex 2** while the detailed findings are in **Annex 7**.

#### ***Survey and Interviews with SMEs***

To obtain feedback on the effectiveness, efficiency and impact of the capacity building to SMEs, attempts were made to survey some of the SMEs that have accepted the services of SMIDEC. A total of 18 firms responded to the survey (listed in **Annex 2**) and the detailed findings are in **Annex 7**.

#### ***Survey and Interviews with JICA experts***

To augment the findings for the evaluation exercise, a short survey questionnaire (**Annex 6**) was sent to the JICA experts and their responses included in **Annex 7**.

### **2.2.2 Data Analysis**

The feedback and findings from the interviews and survey were used to evaluate the Project based on the five criteria: relevance, effectiveness, efficiency, impact and sustainability. The Study also evaluated the extent to which the activities had been designed and executed to enable smooth and appropriate technology transfer. The findings were also assessed to determine the extent to which there have been improvements in SMIDEC to achieve the Project purpose and overall goal.

The results for the evaluation are then compiled and tabulated to facilitate assessment of the results of the evaluation survey.

### **2.3 Restrictions and Limitations in Evaluation Study**

As the final (and 5<sup>th</sup>) batch of training has just started, the Evaluation Study did not include the views from this batch of participants. Likewise, the second batch of Trainers has not started their training of trainers programme in Japan and was likewise excluded from the interview of trainers.

## 3. PROJECT PERFORMANCE

### 3.1 Inputs and Outputs

#### 3.1.1 Achievements of Inputs

Inputs from **Malaysian side**: SMIDEC appointed two (2) counterparts for this project, namely:

- Dato' Hafsah Hashim (CEO) as the Project Director responsible for the administration and implementation of the project; and
- Rohana Ramly (Director of Management Services Division) as the Project Manager and responsible for the managerial and technical matters of the project.

SMIDEC provided the office work space and office equipment as well as the training facilities to support the project. The local costs for the project amounted to RM 133,853.

Inputs from the **Japanese side**: An estimated total of ¥157.8 million (JFY2006: ¥58,829,000; JFY2007: ¥49,949,000; JFY2008 (est): ¥49,000,000) was allocated for the project to cover the cost of the dispatch of experts to implement the project, training of Malaysian counterparts in Japan and other local costs.

The man-month input from the expert team totalled 28 man-months. In addition to the Japanese Team Leader for the Project, five (5) technical experts were dispatched for the project:

- Mr Hiroshi Hasegawa (Team Leader)
- Mr Yuzo Arai (Corporate Diagnosis)
- Mr Yoichi Yamazaki (Corporate Diagnosis and Marketing)
- Mr Hiromichi Kato (Financial Management and Management Accounting)
- Mr Takeo Kawagoe (Production Management)
- Mr Toshiyuki Osumi (Marketing)

The Japanese side also included Mr Ong Gim Yan (Malaysian expert on Tax Laws and Tax Management) in the expert team.

#### 3.1.2 Achievements of Outputs

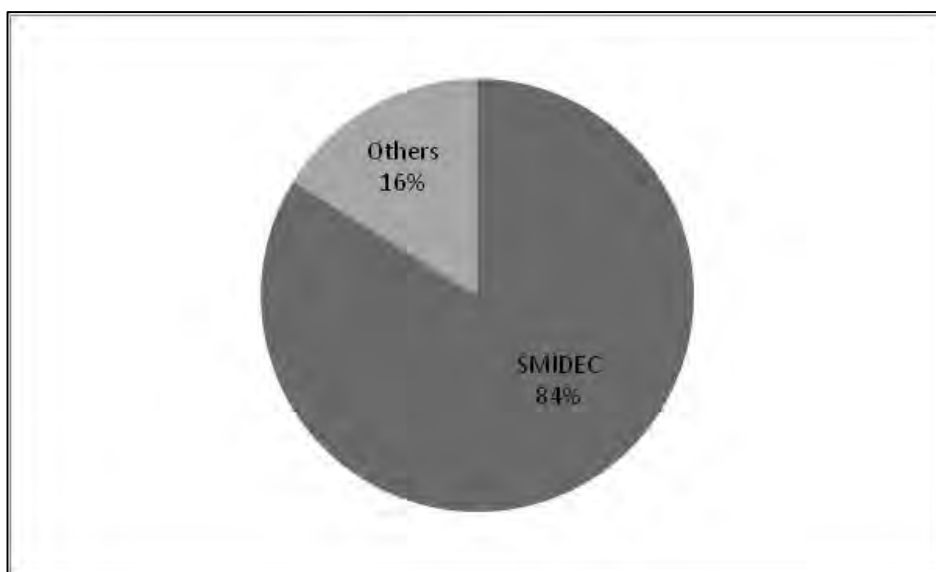
It is considered that the **Output 1**, i.e. “**SME Counsellors are appropriately trained**”, was satisfactorily achieved. Initially, the Project target was to produce 80 SME Counsellors – 50 from SMIDEC and 30 from other government agencies<sup>4</sup>. However, response from the other government agencies have not been as forthcoming as

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<sup>4</sup> Progress Report. According to the PDM, the initial targets were to train 44 from SMIDEC and 30 from other agencies.

originally planned. As of the current status, only 68 participants<sup>5</sup> took part in the training programmes: 57 participants (84%) from SMIDEC, while the other agencies only sent 11 participants (see **Figure 3.1** and **Table 3.1**). This has fallen short of the target. By not utilising the training places offered by the Project, the other agencies have lost out on the opportunities of training their staff. However, SMIDEC has utilised some of the training places by sending more staff for the training. In fact, the last batch of trainees comprised solely from SMIDEC. It is noted that all the trained staff from SMIDEC are still currently working for SMIDEC.

**Figure 3.1: Participation in SME Counsellor Training Programme**



**Table 3.1: Summary of Participants in SME Counsellor Training Programme**

Batch	Number of Participants from					Total
	SMIDEC	MPC	SME Bank	MATRADE	PSMB	
1	10	2	2	-	-	14
2	10	2	-	1	1	14
3	11	1	1	-	-	13
4	10	1	-	-	-	11
5	16	-	-	-	-	16
	57	6	3	1	1	68

*Note: Batch 1: November 2006 – March 2008*

*Batch 2: April – September 2007*

*Batch 3: October 2007 – March 2008*

*Batch 4: April – September 2008*

*Batch 5: October 2008 – March 2009 (still in progress)*

<sup>5</sup> See Annex 3 for list of participants.

The achievement of **Output 2**, i.e. “**Trainers for Counsellor Training are appropriately trained**”, was fairly satisfactory. The Project target is to train ten (10) trainers to become instructors after the completion of the Project. The first batch of five (5) counsellors<sup>6</sup> selected to participate in the Training of Trainers were sent for Counsellor Training in Japan from November 10-28, 2007. All the five Trainers are still with SMIDEC. Since completion of the training in Japan, the Trainers have been assisting the JICA experts in the training programmes of the SME Counsellors as training assistants. This is part of the on-the-job-training (OJT). However, feedback from the interviews with the Trainers shows that they still lack the confidence to conduct the training of SME Counsellors themselves<sup>7</sup>.

Initially, the second batch of Trainers was to be sent for Counsellor Training in Japan in November 2008, but this was postponed to February 2009. The postponement was to time the visit to coincide with the availability of the Team Leader in Japan to support the participants during their visit.<sup>8</sup> However, the postponement of second batch meant that they will not have the opportunity to carry out OJT after their Japan stint as the last batch of Counsellor Training will be over by March 2009.

It is noted that the Trainers are currently in various divisions of SMIDEC: Strategic Planning; Enterprise Development and Entrepreneurship; Management Services; Corporate Communications; and Finance and Monitoring. It would be more effective if a training unit is set up within SMIDEC and the Trainers assigned there.

### **3.2 Project Purpose**

As a whole the Project Purpose that, “SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through the training of SMIDEC staff, who can analyse SMEs’ problems and needs and provide preliminary (and not highly technical) advices to SMEs”, was moderately achieved.

The numbers of activities undertaken as SMIDEC programmes have increased from 17 in 2005 to 21 in 2008 as shown in **Table 3.2**.

The number of SMEs receiving advisory services by SMIDEC increased from 188,093 in 2006 to 219,904 in 2007 while the number of SMEs receiving Market Development Grant (MDG) has also increased (2006:1,754; 2007: 2,196) as in the number of SMEs participating in international trade missions and fairs (2006: 2,631; 2007: 3,294).

The SME survey findings show that about 54 per cent of the SME respondents that have used SMIDEC advisory services indicated that they were satisfied with SMIDEC services whereas 46 per cent reported that the SMIDEC advisory services was just average. However, about 61 per cent of the SME respondents did not seek advice from the SME counsellors to address their major issues or challenges. Almost all of the respondents who had sought advice from the respondents were for funding.

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<sup>6</sup> See **Annex 3** for list of Trainers for Counselor Training.

<sup>7</sup> Survey of Trainers.

<sup>8</sup> Feedback from JICA.

This survey and also the corporate diagnosis conducted as part of the training have alerted some of the SME respondents about the Business Advisory Services provided by SMIDEC. Almost all the respondents indicated that they would go to SMIDEC for future advisory services. Of these, 39 per cent said they would like to obtain funding for business expansion; 44 per cent stated that the SMIDEC is now more proactive and friendly, while 17 per cent did not stated the reasons.

**Table 3.2: Programmes Implemented by SMIDEC**

		<b>Programmes Implemented by SMIDEC</b>	<b>2005</b>	<b>2007</b>
<b>SME Development Program</b>	1.	Benchmarking Program	-	✓
	2.	Enhancement Program for SMEs	✓	-
	3.	Enterprise 50	✓	✓
	4.	Enterprise Development - SME Competitive Rating for Enhancement (SCORE)	-	✓
	5.	Outreach Program	✓	✓
	6.	Skills Upgrading Program	✓	✓
	7.	SME Information and Advisory Centre	✓	✓
	8.	Market Development Program	✓	✓
	9.	Technology and ICT Adoption Programs	✓	✓
<b>Financial Assistance</b>	1.	Matching Grant for Business Startup	✓	✓
	2.	Financial Assistance Scheme for SMEs in the Services Sectors	-	✓
	3.	Grant - Loan facility	-	✓
	4.	Grant for Development and Promotion of Halal Products	✓	✓
	5.	Grant for Enhancing Marketing Skills of SMEs	-	✓
	6.	Grant for Enhancing Product Packaging, Design and Labeling Capabilities of SMEs	✓	✓
	7.	Grant for Productivity and Quality Improvement and Certification	✓	✓
	8.	Grant for Rosetta Net Standard Implementation	✓	✓
	9.	Industrial Linkage Program (ILP)	✓	✓
	10.	Matching Grant for Product and Process Improvement	✓	✓
	11.	Soft Loan for Factory Relocation (SLFR)	✓	✓
	12.	Soft Loan for Small and Medium Enterprises (SLSME)	✓	✓
	13.	Special Assistance Grant for SMEs affected by Floods	-	✓
	14.	Special Assistance Scheme for Women Entrepreneurs	✓	-
		<b>TOTAL</b>	<b>17</b>	<b>21</b>

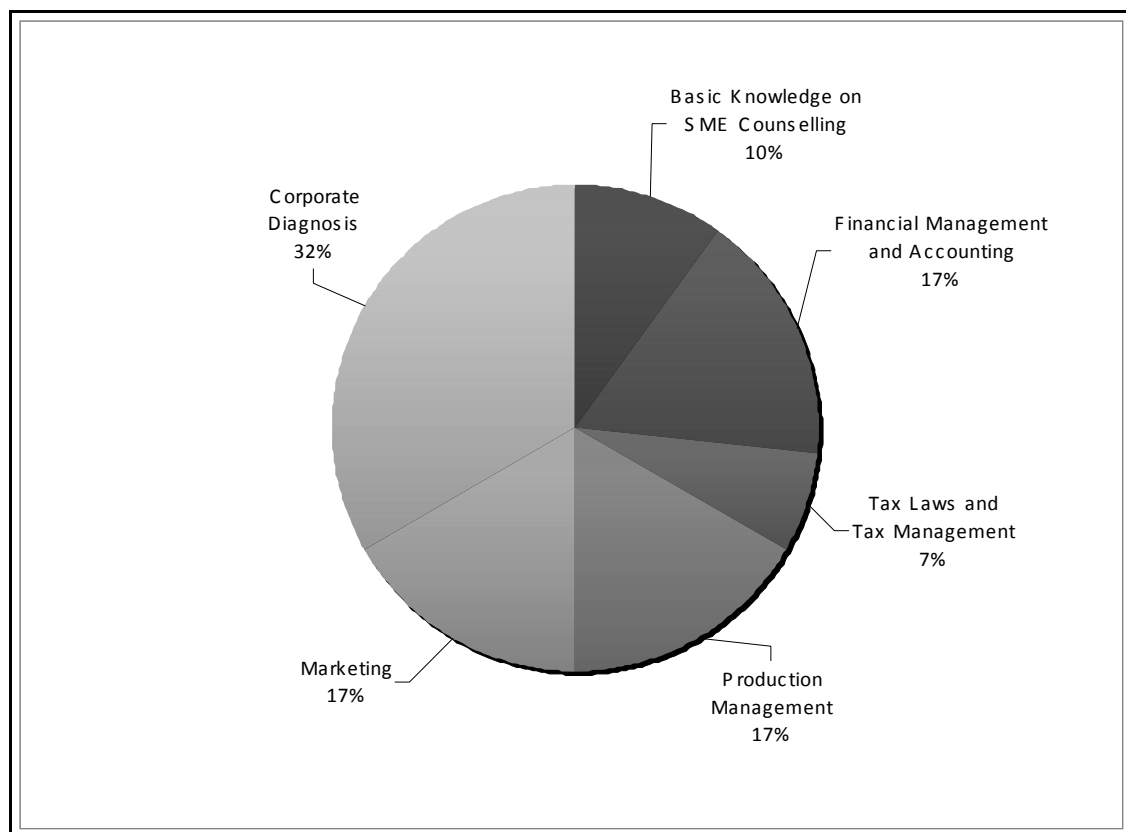


### 3.3 Implementation Process

Based on the progress reports of the project, most of the activities were conducted in a timely manner according to the plan. The implementation of the Project was carried out in two phases. The **first phase**, which entailed the **Development of the Training Programme**, was conducted during the first five months of the project period. Under the first phase of the Project, the training needs of SMIDEC and the other relevant agencies were analysed and based on the results the training programme was designed together with the implementation manuals. The teaching materials for the courses were also developed.

The **second phase** of the Project entailed the **Implementation of the Training Programme**. The training programmes for the SME Counsellors were conducted over a period of two years and six months. Each batch of training entailed 180 hours and the scope focused on six main topics (see **Figure 3.2**): (i) basic knowledge on SME counselling (18 hours); (ii) financial management and accounting (30 hours); (iii) tax laws and tax management (12 hours); (iv) production management (30 hours); (v) marketing (30 hours); and (vi) corporate diagnosis (60 hours).

**Figure 3.2: SME Counsellor Training Course**



The training programme was carried out by the JICA Project Team led by Mr H Hasegawa. For the tax laws and tax management module, the training was conducted by a Malaysian instructor. The instructors for the modules prepared six textbooks on the above-mentioned topics. In addition to the text books, other course materials including PowerPoint slides and exercise books were also prepared and used in the training.

The training modules mainly consist of lectures, but exercises and field training sessions were also included. For each module, the theories and techniques were taught by way of lectures, followed by relevant exercises and field training. For the module on production management the participants were given the opportunity to visit local SMEs to gain an understanding on the importance of process management and quality control. The corporate diagnosis module entailed actual visits to SMEs and an evaluation exercise where the participants were given the opportunity to present their evaluation results to the SMEs for discussion.

The training of the SME Counsellors was divided into five batches of about 16 participants each with each training course spread over a six-month period. By repeating the process of programme implementation, the monitoring and feedback enabled periodic review and modification of the training programme to address the training results and problems, the level of understanding of the participants, their opinions and other factors. The teaching materials were also reviewed, updated and/or revised.

The implementation of the first training programme was delayed by a month to avoid the fasting month and to take into consideration the office move of SMIDEC. However, this did not affect the implementation of the Project as a whole. The other courses were carried out as planned. Currently, the final batch of training is underway.

In addition, the Project aimed at producing 10 Trainers (from SMIDEC) who would then continue the training of SME Counsellors after the completion of the Project. The programme for the training of the Trainers for the Project was carried during the second and third years of the Project. The Trainer's training programme was designed for participants from the early batches of training and the participants were selected based on their aptitude (enthusiasm, quality and capacity) to become trainers in the future. The training of the Trainers consists of overseas training in Japan as well as local training in the form of on-the-job-training (OJT). After the training in Japan, the Trainers then served as teaching assistants for the later batches under the supervision of the Japanese instructors. In the process, they were trained on an OJT basis to allow them to become full instructors of the training programme after the completion of the Project.

There were some **constraints impeding the implementation process** such as the lack of participation in the training programme by other agencies. However, these were not serious factors that hindered the implementation process. In general, the implementation process was considered as smooth.

## 4. EVALUATION RESULTS

### 4.1 Evaluation for Each of the Five Criteria

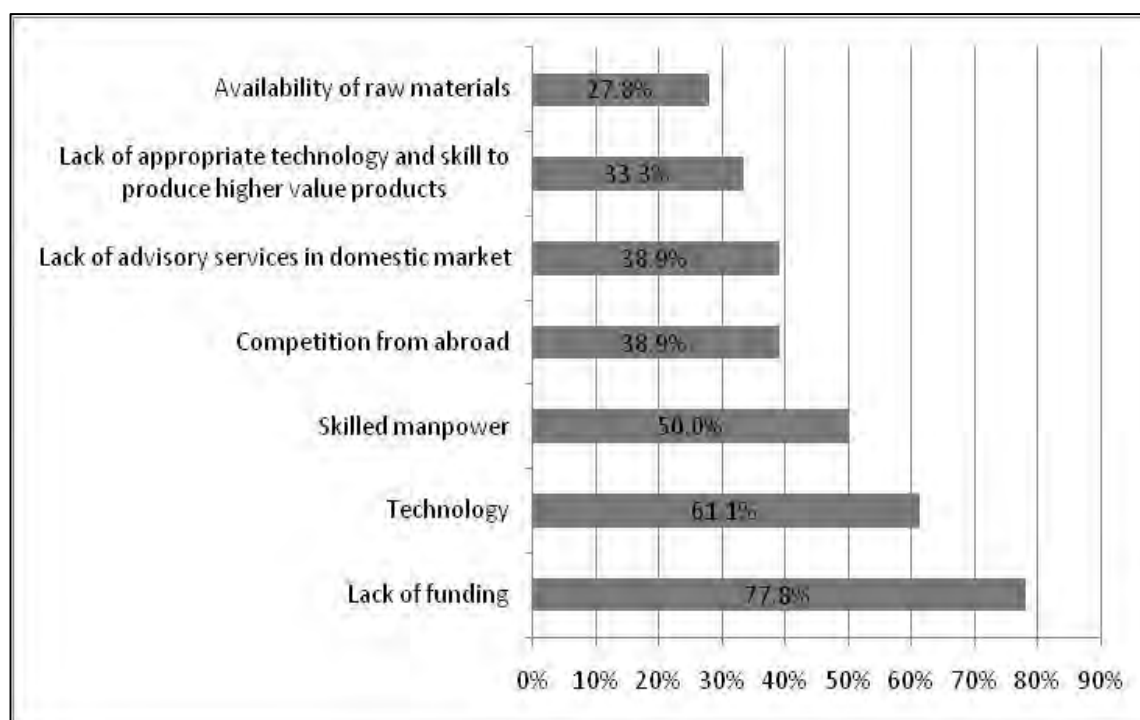
#### 4.1.1 Relevance

The relevance of the Project is very high as it addresses an urgent need for enhancing the capacity of SMIDEC as a lead agency and national focal point to support the overall development of SMEs in Malaysia. This is especially as SMIDEC aims to create resilient and efficient SMIs that are able to compete in a liberalised market environment.

#### *Relevance to the needs of SME development in Malaysia*

Studies have shown that SMEs in Malaysia face challenges in various aspects – market access, access to financing, low level of technological capabilities, low level of R&D, shortage of skilled workforce and access to information. While the respondents from the survey of SMEs show that the major issues and challenges faced by them are the lack of funding (78%), technology (61%) and skilled manpower (50%), 39% of them indicated that lack of advisory services in the domestic market as a challenge too as shown in **Figure 4.1**.

**Figure 4.1: Major Issues Faced by SMEs**



### ***Relevance to the needs of the SMIDEC***

As the lead agency to promote the development of SMEs in Malaysia, SMIDEC provides advisory services, fiscal and financial assistance, infrastructural facilities, market access and other support programmes. To meet the increasing and challenging requests from Malaysian SMEs, the staff of SMIDEC needs to be equipped with the necessary skills, exposure and knowledge to enable them to carry out their tasks. Since its reorganisation in 2002, SMIDEC has been expanding its staff strength and also setting up regional offices to reach out to the SMEs. There are currently five regional offices (Northern Region, Eastern Region, Southern Region, Sabah and Sarawak); but there are plans to set up SMIDEC offices in all the states. The Project has enabled the SMIDEC staff to have an overview and the basic knowledge to analyse the needs of the SMEs<sup>9</sup> and to implement the SME Competitive Rating for Enhancement (SCORE)<sup>10</sup>.

### ***Relevance to the development policy of Malaysia***

The Third Outline Perspective Plan (2001-2010) emphasises on the need for productivity improvement to ensure economic growth in Malaysia. As part of the efforts to develop of SMEs, the Third Industrial Master Plan (2006-2020) also emphasises on “enhancing the competitiveness of SMEs” and “instituting a more cohesive and supportive regulatory and institutional framework” through the National SME Focal Point. SMIDEC as the focal point will be an “avenue for policy discourse, and technical and advisory consultations, including financial requirements, to mobilise resources and synergies for the overall development and growth of SMEs”. The Project is also listed in the technical cooperation agreed by the Japanese Government in the Malaysia-Japan Economic Partnership Agreement (MJEPA). Hence the Project and its overall goal and project purpose are consistent with the national development policy.

### ***Relevance of project design and approach***

Feedback from the survey of SME counsellors show that 93 per cent of the respondents indicated that the project was appropriate to address the challenges and needs of SMEs. However some of the SME Counsellors felt that the training programme is too broad and general and lacks the depth/focus to cater for the needs of SMEs.

### ***Relevance to the priority areas of JICA's technical cooperation & technical advantage of Japan***

The Project is relevant to Japan's Country Assistance Program for Malaysia which was formulated by Ministry of Foreign Affairs of Japan (February 2002) as it falls within the priority sector and theme of “cultivating human resources equipped with high-level knowledge and skills”. Furthermore the Project falls within JICA's technical cooperation priority aid area - in training and capacity building of HRD.

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<sup>9</sup> Interview with SMIDEC.

<sup>10</sup> SCORE is a methodology to measure and rate the performance and capabilities of SMEs. Specific data on the current status of the company will be collated through on-site visits and interviews. The capability and performance of company will be measured in seven areas namely: Business Performance, Financial Capability, Technical Capability, Production Capacity; Innovation; Quality System and Management Capability.

This audit will enable SMIDEC to identify areas of strengths and weaknesses of the company. With this assessment, the company can then be recommended either for targeted assistance or for participation in trade missions and exhibitions. Companies in the 4-5 star category are designated as - ready for the export market and will be linked to MATRADE. Those in the 3-star category and below will be provided with integrated, hand-holding assistance to facilitate their growth in business.

JICA has been cooperating in the field of HRD in Malaysia for several decades. There have been previous dispatches of experts and Senior Volunteers to assist in capacity development in other Malaysian government agencies. Japan's strength and experience in supporting its own SMIs demonstrates their advantages in this field of technical cooperation. Japan has also provided similar technical cooperation to support HRD and SMI development in other developing countries.

#### 4.1.2 Effectiveness

As a whole, the effectiveness of the Project can be assessed as satisfactory. The **achievement of the project purpose** by the time of project completion as measured by the objectively verifiable indicators has shown improvements as described in Section 3.2 earlier. The other achievements of the project purpose are based on the following:

- 68 Counselors have participated in the series of training provided by the Project. Participation from SMIDEC (57) was higher than originally planned (44) although participation from other agencies was below the target (11 versus 30).
- The SMEs that received consulting services from SME counselors are mostly satisfied and appreciated the services.
- Five (5) efficient participants were selected as trainers from Batches 1 and 2 and they acted as teaching assistants to the JICA experts for later training batches. Five (5) more participants have been selected as trainers from the later batches.

Of the SMEs that responded to the evaluation survey and utilised the advisory services provided by SMIDEC, more than half of them were satisfied with the advisory services; however the response rate was too low to be of statistical significance. The constraint which affected the achievement of the project purpose at a higher level was the lack of indicators to demonstrate the level of satisfaction of SMEs that have sought advisory services from SMIDEC.

The assessment of the level of understanding of the participants for the training courses show that for "Basic knowledge on SME counselling", "Tax laws and tax management" and "Marketing", over 80 per cent of the participants from Batches 2 and 3<sup>11</sup> responded that they "understood completely" or "understood well". For "financial management" and "production management", 73 per cent indicated that they "understood completely" or "understood well" (see **Table 4.1** and **Figure 4.2**)

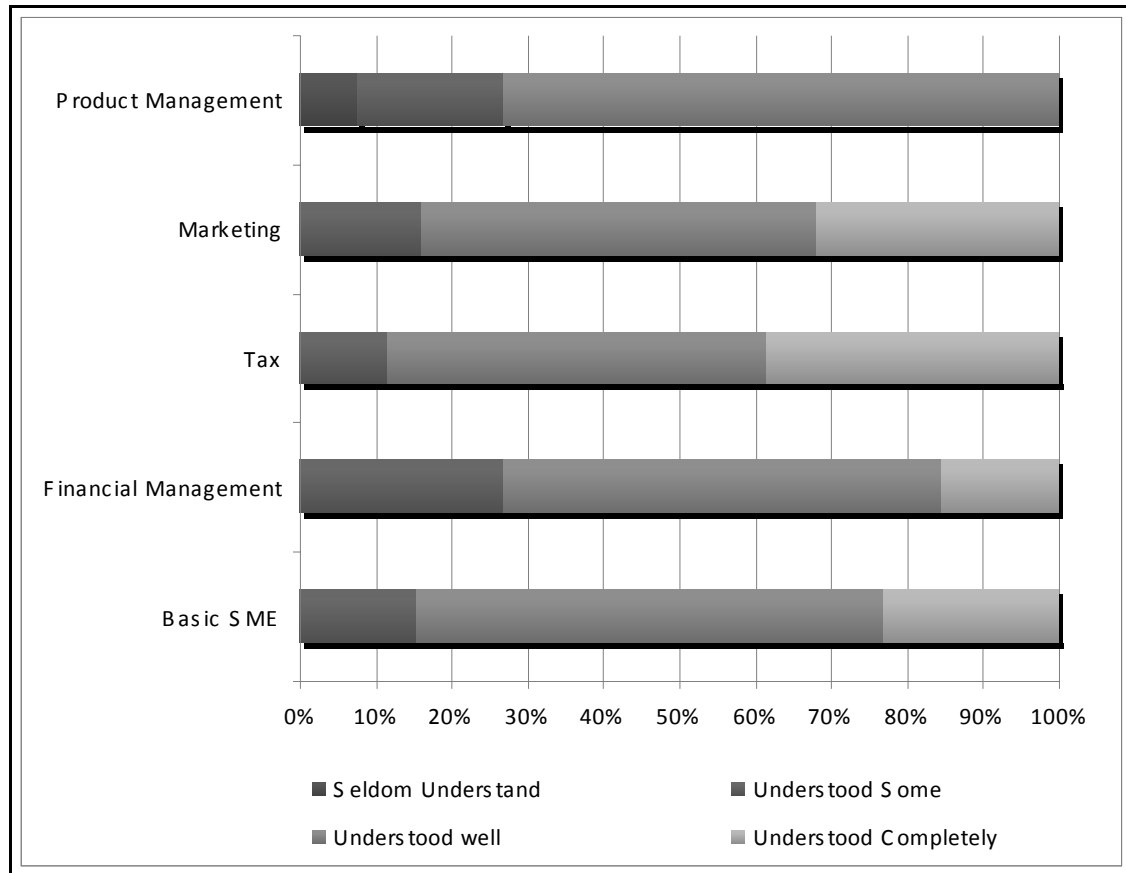
**Table 4.1: Degree of Understanding of Training (Technology Transfer)**

	Seldom Understand	Understood Some	Understood well	Understood Completely
Basic Knowledge on SME counselling	0%	15%	62%	23%
Financial Management	0%	27%	58%	15%
Tax Laws and Tax Management	0%	12%	50%	38%
Marketing	0%	16%	52%	32%
Production Management	8%	19%	73%	0%

Source: Compiled from Project Progress Reports (2) and (3).

<sup>11</sup> Assessments for Batches 1 and 4 were not available for analysis.

**Figure 4.2: Degree of Understanding of Training**



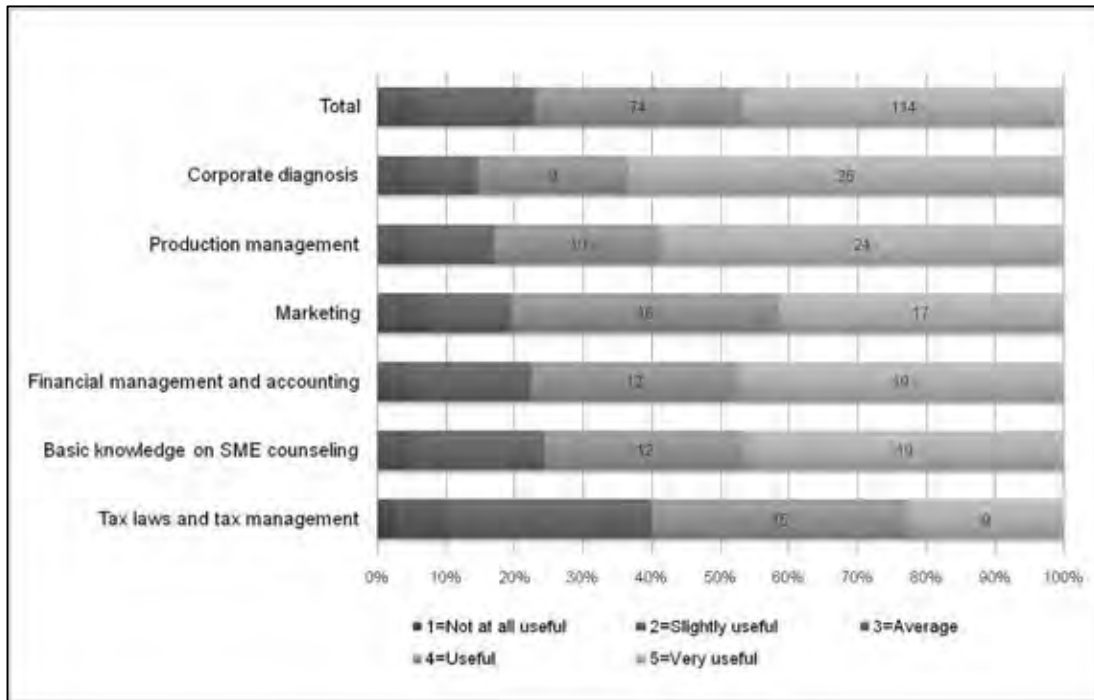
Feedback from the survey of SME Counsellors shows that 77% of them rated the Project training as **useful/very useful to their current job** as shown in **Figure 4.3**, while 90% indicated that the Project Purpose can be achieved by the time of project completion in mid 2009.

Some of the **positive comments** on the Project include the following:

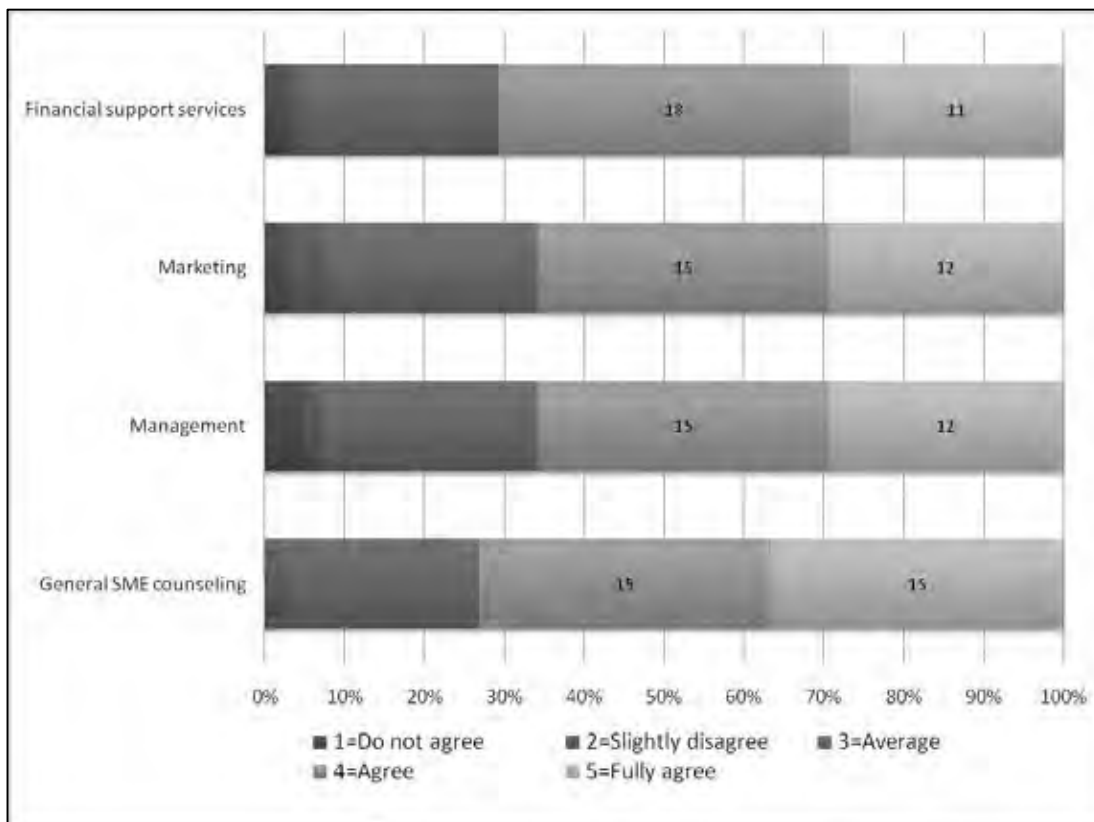
- The Project has added value to the business advisory services offered by SMIDEC to SMEs;
- The content and training material are useful and related to their work;

Furthermore, 95 per cent of the respondents indicated that their **analysis skills and knowledge of SMEs have improved** as a result of the Project. In fact, overall 69 per cent of the respondents agree/fully agree that through the training received from the Project, they can effectively support SMEs in general SME counselling, management, marketing and financial support services (see **Figure 4.4**).

**Figure 4.3: Usefulness of Training to Current Job (1=Not at all useful; 5=Very useful)**



**Figure 4.4: Ability of SME Counsellors to Support SMEs**



Despite their confidence in their ability to support SMEs in the various fields, 55 per cent of the respondents rated themselves as “average”, while 40.5 per cent rated themselves as “above average”. Only 4.8 per cent rated themselves as “below average”. Feedback from the respondents show that the other criteria/skills which they require to become proficient/effective SME Counsellors include communication/customer service skills, technical knowledge, more experience in corporate diagnosis, language skills, knowledge of business trends. To enhance their skills in the future, the respondents indicated that they need knowledge/training in technology/technical aspects, production, communication/negotiation, finance and organisational management.

A small percentage of the SME Counsellors however felt that the training received was too general and basic. As such they were of the opinion that the project purpose will not be achieved by the completion of the Project. It is noted that some of the SME Counsellors lack the opportunity to put in practice their new skills/knowledge in their current job.

It appears that the major constraint of achieving the project purpose is the absence of a full-fledged SME Counselling Division. Rather, from the feedback and organisation list, the SME Counsellors are in different divisions. They are then put on a roster to man the business advisory services. In some cases their current jobs give them limited opportunities to provide counselling to SMEs. Similarly, the Trainers for SME Counselling are in various divisions as there is no dedicated Training Unit in SMIDEC.

#### **4.1.3 Efficiency**

The efficiency of the Project was satisfactory as sufficient activities were planned to produce the scheduled outputs as specified in the PDM. Most of the tasks were conducted in a timely manner, except for two matters: (i) the postponement in the sending of the second batch of Trainers for training in Japan so as to coincide with the availability of the Team Leader in Japan to support the participants during their visit; (ii) the lack of response from other agencies to send their staff to the SME Counsellor training session. However, in general, the key activities of the Project were considered to have been conducted promptly. In terms of inputs provided by the Malaysian side as well as by the Japanese side, the inputs were adequate.

**Malaysian side:** In general, the facilities (office, training venue and support facilities) provided by SMIDEC were appropriate and adequate for the Project team to carry out the activities. The counterparts identified to work with the expert team were appropriate and demonstrated keen interest and support for the Project. This has contributed significantly to the smooth implementation. However, feedback from some members of the expert team highlighted the wide gaps in knowledge and motivation among the trainees and this meant that the training had to be pitched at an appropriate level. This was despite the exercise to select the suitable candidates for the SME Counsellor training as well as for the Trainers programme. As such, while some of the SME Counsellors found the training as just basic and general, there were some who faced problems with some of the modules.

**Japanese side:** The inputs from the Japanese side were carried out as scheduled. The dispatches of the Team Leader and the five (5) technical experts as well as the Malaysia expert recruited to join the expert team have been well received by the Malaysian side. A Malaysian project coordinator (fluent in Japanese) was engaged to assist the expert team and this helped in the communication between the participants and the Japanese



experts. Textbooks and work exercises for the various training modules have augmented the lectures

Response from the SME Counsellors show that the efficiencies of the project implementation process were largely due to the commitment of the participants, lecturers and SMEs, the practical and hands-on approach, the teamwork, guidance and preparation that has gone in for the Project. The problem of language (three of the training modules i.e. “Basic Knowledge on SME Counselling”, “Marketing” and ‘Corporate Diagnosis” were delivered through an English translator) as well as the limited time for the training, were highlighted as the key constraints affecting the efficiency of the Project.

#### **4.1.4 Impact**

To realise the overall goal of having a considerable number of Malaysian SMEs becoming productivity driven, technologically capable and globally competitive by receiving SMIDEC’s services will take time. However, **preliminary impacts** as reflected in the number of activities undertaken as SMIDEC programmes, the number of SMEs receiving advisory services from SMIDEC, and the number of SMEs participating in international trade missions and fairs have increased (see Section 3.2). Nevertheless, as a matter of caution, the Study team would like to point out here that the increases may not solely be due to the Project as other factors could have contributed to the results too.

To work towards broader development results of the Project, SMIDEC has taken steps to ensure that SME counselling and advisory services will be available not only at the headquarters in KL but also in the regional offices, and later on in the state offices. Plans to expand the staffing at SMIDEC to provide the services will help to achieve the goal. This will facilitate SMEs that need the services of SMIDEC.

#### ***Other Impacts***

According to feedback from SME Counsellors, some of the SMEs which they have worked with have developed a better understanding of the challenges and issues. They are also aware that SMIDEC can assist them in other areas, and not only in assisting them to get grants. Most of the SME Counsellors are of the opinion that the overall goal of the Project will be achieved.

Feedback from the SME Counsellors also show that on average the number of counselling sessions they handled each month has increased from 13 (before training) to 20 (after training).

#### ***Unexpected Impact***

The corporate diagnostic exercises carried out as part of training for the Project has enabled the participating SMEs (final beneficiaries) to realise some of their strengths and weaknesses. Feedback from some of the SMEs shows that they are keen to work with SMIDEC to address the challenges. More SMEs are becoming aware that the services that are offered by SMIDEC go beyond providing financial grants.

#### **4.1.5 Sustainability**

The interviews with the Management of SMIDEC and SME Counsellor survey shed some light on the sustainability of the Project. These findings are analysed from the policy aspect, organisational, financial and technical aspects.

##### ***Policy Aspect***

In terms of policy, the SME sector remains a key thrust in the Malaysian development plans. Various incentives and funds under the Third Industrial Master Plan (IMP3) have been made available to enable SMEs to develop and grow. All these fall under the purview of SMIDEC. In view of this, the focus has been to strengthen the capacity of SMIDEC as the focal point for SMEs. This demonstrates that there is sustainability of the Project from the policy aspect.

##### ***Organisational Aspect***

According to the staff statistics, all the SME Counsellors and Trainers are still with SMIDEC. The training will however need to be a continuous process for the SME Counsellors so that they are abreast with changes in technology as well as the economic issues. Some of the SME Counsellors have acknowledged the need for added skills to augment the training already received.

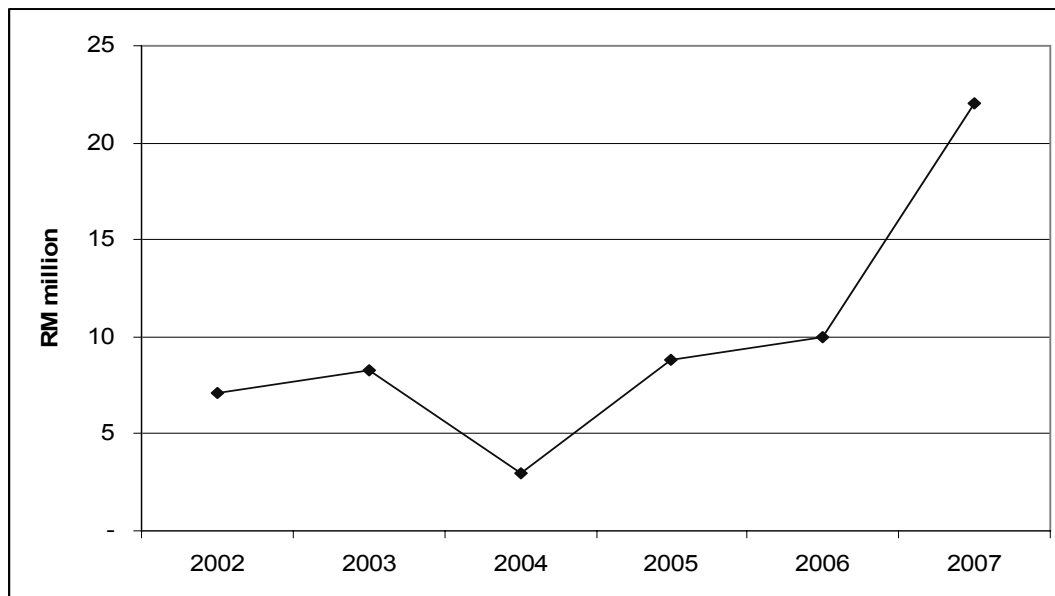
In terms of organisation, the absence of a full-fledged SME Counselling Division and a dedicated Training Unit may have a bearing on the sustainability of the Project. As discussed earlier, the SME Counsellors are all different divisions and they are then put on a roster to man the business advisory services. In some cases their current jobs give them limited opportunities to provide counselling to SMEs. Similarly, the Trainers for SME Counselling are from various divisions as there is no dedicated Training Unit in SMIDEC. These concerns were raised by some of the SME Counsellors and will need to be addressed from the point of view of sustainability.

##### ***Financial Aspect***

As SMIDEC falls under the jurisdiction of the Ministry of International Trade and Industry (MITI), funds for both operational and development expenditure are provided by the government. So far the government budget allocation has kept SMIDEC sustainable both in terms of operational expenses as well as for the development fund which is used support the various SME programmes.

An assessment of the SMIDEC annual reports show that the budget allocation to SMIDEC has steadily been increasing. The operational grant from the Federal Government has increased from RM7.1 million in 2002 to RM22 million in 2007 as shown in **Figure 4.5**. Feedback from the discussions with the management of SMIDEC indicates that the government will continue to support the expansion of SMIDEC. Thus from the financial aspect, the evaluation study finds that SMIDEC will be able to continue to sustain and support the training programme for the continued capacity building of the organisation. SMIDEC will be reformed to "SME Corp." in January 2009 but the situation will be consistent with the current situation since "SME Corp." is also under the jurisdiction of the Ministry.

**Figure 4.5: SMIDEC Operational Grant (2002 – 2007)**



#### ***Technical Aspect***

Feedback from the survey of SME Counsellors points to several concerns regarding their lack of skills to be effective and useful to SMEs. Some of the SMEs that were surveyed/ interviewed also expressed concern regarding the limited technical skills/knowledge of the SME Counsellors. This limits their ability to provide the advisory services to the SMEs. Feedback from the SMEs that were surveyed indicated that while all the SMEs would seek advice from SMIDEC when it comes to funding, less than 30 per cent of the SMEs surveyed would seek their advice on other issues (technology, skilled manpower, competition, availability of raw materials). The JICA experts have pointed out that the training provided so far is just the start and continued training will be required to upgrade the knowledge and skills of the SME Counsellors and Trainers.

#### **4.2 Factors Promoting Sustainability and Impact**

This Project has the full support from the project implementer (SMIDEC) and MITI. The overall goal of the Project is also one of SMIDEC's aims. As such according to the Minister of International Trade and Industry<sup>12</sup>, it is important that SMIDEC officers are continuously well-informed and knowledgeable, particularly to provide support and services to SMEs.

##### **4.2.1 Factors Concerning Planning**

To ensure the sustainability and impact of the Project, the Government of Malaysia has made SMIDEC as the National Focal Point for SMEs. Under the 9MP, SMIDEC has planned to expand its staffing as well as to set up state offices to reach out to SMEs. There are also plans to train more SME Counsellors who would be posted to the state/regional offices so that they can reach out to the SMEs in the various regions and

<sup>12</sup> New Straits Times, June 5, 2008.

states. SMIDEC has also placed emphasis on capacity development of the staff and is seeking support from JICA for a second phase of the Project.

#### 4.2.2 Factors Concerning the Implementation Process

The training programme has created greater awareness and understanding of the challenges and issues facing SMEs. More importantly, the training provided has “energised” many of the SME Counsellors, and has equipped them with the basic skills to provide advisory services to SMEs. Many of the SME Counsellors have indicated their interest to have more hands-on “field” experience on corporate diagnosis so that they can assist the SMEs. The positive attitude among the SMI Counsellors is a key factor that has promoted the sustainability and impact of the project.

### 4.3 Factors Inhibiting Sustainability and Impact

#### 4.3.1 Factors Concerning Planning

At this stage of the Project, the evaluation team noted that there are no planning factors that are inhibiting the sustainability and impact of the Project.

#### 4.3.2 Factors Concerning the Implementation Process

Feedback from the Trainers show that they only half of the respondents indicated that they were confident to train SME Counsellors. As shown in **Table 4.2**, with the exception of the topic on “General SME Counselling”, the Trainers are still not confident that they can effectively train SME Counsellors in the various topics. This means that without continued external support, the Trainers will not be able to sustain the training programme themselves.

**Table 4.2: Self Assessment of Trainers’ Ability to Provide Counsellor Training**

Topic	Totally Unable	Slightly Unable	Not Sure	Able	Very Effective
General SME counseling	0	0	2	1	1
Management	0	0	3	1	0
Marketing	0	1	2	1	0
Financial support services	0	1	2	1	0

Other factors that can inhibit the sustainability and impact of the Project include the absence of a dedicated Training Unit and the absence of a Business Advisory Division (both discussed earlier). Furthermore, the training that has been provided under this Project is only at the basic level. A more advanced level of training together with more field exposure will be required to raise the level of understanding of the Counsellors and Trainers.

### 4.4 Conclusion

The evaluation results show that in terms of **relevance**, the Project is in line with the needs of SME development in Malaysia. It is also relevant to the needs of SMIDEC and to the development policy of the country. The Project also falls within the current priority areas of JICA’s technical cooperation with Malaysia and Japan’s advantage in

development of SMEs. In terms of **effectiveness** the Project has been satisfactory as SMEs that utilised the advisory services indicated that they were generally satisfied with the advisory services. In terms of **efficiency**, the Project was implemented as per the Plan of Operation. The key issue here is lack of participation in the training from the other agencies.

Although the Project has provided basic training to support the advisory services of SMIDEC, overall the level of services that can be provided to SMEs is only at the basic level. Many of the SMEs find that the SME Counsellors lack hands on experience and the depth to tend to seek their advice to obtain financial support. In terms of **impact**, the project enable SMIDEC to ensure that SME counselling and advisory services will be available not only in KL but also in the regional offices, and later on in the state offices. Plans to expand the staffing at SMIDEC to provide the services will help to achieve the goal. This will facilitate SMEs that need the services of SMIDEC. At the same time, the project contributed that more SMEs are becoming aware that the services that are offered by SMIDEC go beyond providing financial grants. Although the evaluation results show that the Project has **sustainability** in terms of policy, financial and organisational aspects, the concern that arises is the ability of the Trainers to sustain the training of the SME Counsellors without external support post Project completion.

## 5. RECOMMENDATIONS AND LESSONS LEARNED

### 5.1 Recommendations

Although the Project Purpose had indicated that the level of advice expected from the SME Counsellors are not highly technical, only 40.5 per cent of the respondents rated themselves as “above average” while slightly more than half of them rated themselves as “average”. This shows that most of the respondents are still not fully confident to provide advice by themselves. It appears that the respondents may be confident in certain subjects depending on their work experience or academic background. For instance, those with engineering background are more confident in providing advice in production management while those with marketing background are more confident in providing marketing advice. This situation coincides with the feedback from SMEs who commented on the limited knowledge of the Counsellors. Likewise, the feedback from the Japanese experts also indicated that was a knowledge gap among the participants. Thus it is difficult to expect an all-rounded SME Counsellor that has the ability to provide advice in financials, tax, product management and marketing.

**Advanced Training for SME Counsellors:** Thus it is recommended that **future training be divided into two stages:** i) Basic and ii) Advanced. The basic course shall provide general knowledge on SME counselling and other subjects. The advanced course shall be dedicated to train specialists. Different courses should be designed for different trainees depending on their foundation and background. The basic course could be taught by the Trainer for SME Counsellors while the advanced course could be delivered by other resources.

**Multidisciplinary Counselling Team:** The “corporate diagnosis” had received positive feedback from both the SME Counsellors and SMEs. Thus it is recommended that the business advisory services (BAS) be provided as a **team effort**. The team shall comprise SME Counsellors with different skills sets (e.g. those with marketing skills, production skills, financing skills etc.). If necessary, the BAS can draw upon the SME Experts Advisory Panel (SEAP) facilities to augment the skills required to support the SMEs.

**Training Opportunities:** The withdrawal of participation in the training programme, by other agencies, just before the courses begin has made it difficult for SMIDEC to find replacements at the last minute. To address this, it is recommended that the cut-off date should be at least two weeks before the courses start so that the SMIDEC can offer training places to other related agencies or even to private firms.

#### **5.1.1 Recommendations for SMIDEC and JICA to realise the project purpose by the completion of the project:**

- SMIDEC should continue to organize seminars to improve SME Counselors' capability
- SMIDEC should set up a division to promote management consulting services for the SMEs
- While JICA and SMIDEC are **not necessary consistent** about the degree of expectation and the objective levels for the training but it is necessary for both sides to have close communication about the progress of the project
- Notwithstanding the wide gap in knowledge and motivation among the trainees. It is important for the trainees to develop a good understanding on the role of SME counselors and basic knowledge of SME counseling.
- To improve the BAS, the SME Counselors should work as a multi-disciplinary team. It is also suggested that the opinions/views of the SMEs that have undergone the corporate diagnosis exercise be taken into consideration to improve the services.

#### **5.1.2 Suggestions for SMIDEC and JICA to maintain the project purpose and expand its effects after the completion of the project:**

- Need for continuous training by placing more focus on OJT.
- There is a need for regular sharing sessions between SMIDEC and JICA.
- Where applicable, SMIDEC should identify the specialties of the SME Counselors and to give them appropriate posts as specialists, rather than just as general SME Counselors.
- SMIDEC should organize sharing sessions among the SME counselors to share their knowledge & experience.
- SMIDEC should give the SME counselors more opportunities to upgrade their skills.
- SMIDEC should organize sharing sessions with the enterprises where the trainees had made corporate diagnosis under this project. SMIDEC could offer these enterprises various services including follow-up diagnoses, study seminars and meetings for information exchange.
- SMIDEC should promote the activities of the SME counselors to the public through its publications and website.
- There is a need to establish a dedicated training unit to be responsible for staff training and training plans.
- It is proposed that the lecture notes used in the current JICA course be published in website. This text should be updated periodically with the assistance of JICA experts.
- Implementation of advanced training with emphasis on field (hands-on) training.

#### **5.1.3 Indicators**

The indicators that were identified in the PDM are too broad and are not directly related to the overall goal and project purpose. The quantitative indicators that were used (e.g. increase in SMEs productivity index, increase in number of SMEs receiving MDGs, and

increase in number of SMEs participating in international missions and fairs) may not necessarily be attributed to the Project. It is thus essential that better and more appropriate indicators that have a direct relationship with the Project Goal be selected to measure the impact of the Project.

## **5.2 Lessons Learned**

This Project has demonstrated the **importance of structured training** for the capacity building of officers required to provide support and advisory services to SMEs. However, continuous training is required to equip them with more knowledge and skills to improve their capacity as SME Counsellors.

The Project has also enabled SMIDEC to **build its institutional capacity** to provide better services to SMEs. Many of the SMEs that have interacted with SMIDEC have learned to appreciate the business advisory service and are aware of the wider functions of SMIDEC (i.e. that it is not only limited to funding). Promotion on business advisory service should be carried out to disseminate information of this service to the SMEs.



# ANNEX 1: PROJECT DESIGN MATRIX & PLAN OF OPERATIONS

## Project Design Matrix (PDM)

Project Title: The Project on Development of Human Resource for Small and Medium Industries Development Corporation (SMIDEC)  
 Direct Beneficiary: SMIDEC  
 Final Beneficiary: SMEs  
 Duration: 3 years

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b> 1. Considerable numbers of SMEs in Malaysia become productivity driven, technologically capable and globally competitive by receiving SMIDEC's services.	(Figures as of 3-5 years after the end of the project period) 1. Increase of SMEs' productivity index. 2-1 Increase in numbers of SMEs receiving Market Development Grant (MDG) 2-2 Increase in numbers of SMEs participating in international trade mission and fairs.	1. Productivity Report issued by NPC. 2. SME Performance Report issued by SMIDEC.	There will be no major changes to overall SME policies and strategies.
<b>Project Purpose</b> 1. SMIDEC become an agency to effectively support SMEs in management and marketing skills as well as financial support services through the training of SMIDEC staff, who can analyse SME's problems and needs and provide preliminary (not highly technical) advice to SMEs (hereinafter referred to as "SME Counsellor").	1. Increase in numbers of activities undertaken as SMIDEC programs 2. Increase in numbers of SMEs receiving advisory service by SMIDEC 3. Increase in numbers of SMEs being satisfied with SMIDEC programs	1. SMIDEC Project Report 2. SMIDEC Project Report 3. Questionnaire Survey	1. World, regional and domestic economic condition does not deteriorate. 2. Other SME related agencies function properly in cooperation with SMIDEC. 3. Continuous budgetary allocation to SMIDEC is secured by the federal govt.
<b>Outputs</b> 1. SME Counsellors are appropriately trained.	1. 44* staff to become SME Counsellors to provide service with appropriate advisory capabilities <b>*NOTE:</b> Tentative number of staff from divisions in	1. SMIDEC Project Report	1. Most of trained staff as SME Counsellors continues to work for SMIDEC.

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
	direct contact with SMEs, for example, Financial Assistance & Monitoring Enterprises Development and Advisory service & Technical Support. 30 staff from SME Bank & other related organisations are expected to join the course		
2. Trainers for Counsellor Training are appropriately trained	2. Number of trainers who can conduct Counsellor training.	2. SMIDEDEC Project Report	2. Most of trained staff as SME Counsellor trainers continues to work for SMIDEDEC.
<b>Activities</b> 1. <b><u>Planning of training</u></b> 1-1 To conduct training needs assessment based on the preliminary survey done by SMIDEDEC 1-2 To establish budget and logistics requirement 1-3 To formulate Counsellor Training Plan 2. <b><u>Training</u></b> 2-1 To prepare training curriculum 2-2 To prepare training materials 2-3 To select trainees based on pre-determined criteria 2-4 To conduct Counsellor Training 2-5 To conduct trainer training for Counsellor Training 3. <b><u>General project</u></b> 3-1 To establish project organisation 3-2 To conduct monitoring and evaluation activities 3-3 To undertake general administrative activities	Input The Government of Japan 1. Five (5) to six (6) experts 2. Training of Malaysian Counterpart Personnel (C/P) in Japan	The Government of Malaysia 1. C/P (SMIDEDEC project team staff including administrative staff) 2. Office, workspace and relevant facilities 3. Local cost for project implementation and management such as business trips, and stationery procurement 4. Cost sharing for C/P training in Japan	Pre-conditions 1. Sufficient budgetary and personnel arrangement are secured by SMIDEDEC 2. Basic structure and terms of reference of SMIDEDEC remain 3. Preliminary training needs survey for SMIDEDEC staff is completed by SMIDEDEC

## Plan of Operations

Activities	Expected Results	Calendar Schedule				Implementer	Remarks
		2006	2007	2008	2009		
1. <b>Planning of training</b>						Japanese Expert / Malaysian Project Team	
1-1. To conduct training need assessment based on preliminary survey done by SMIDEC	1. Confirm training needs in assessment report	■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
1-2. To establish budget and logistic requirement	2. Budget and logistic arrangement	■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
1-3. To formulate Counsellor Training Plan	3. Counsellor Training Plan including trainees selection criteria	■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
2. <b>Training</b>						Japanese Expert / Malaysian Project Team	
2-1. To prepare training curriculum	1. Training curriculum	● ■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
2-2. To prepare training materials	2. Training materials	● ■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
2-3. To select trainees based on pre-determined criteria	3. A list of selected trainees	★	● ● ● ● ● ● ● ● From time to time	● ● ● ● ● ● ● ●			
2-4. To conduct Counsellor Training	4. Number of trainees, training report	■	■ ■ ■ ■ ■ ■ ■ ■ By Japanese Experts by SMIDEC Trainers	■ ■ ■ ■ ■ ■ ■ ■			
2-5 To conduct trainer training for Counsellor Training	5. Number of trainers training report	■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■		Japanese Expert / Malaysian Project Team	
3. <b>General project</b>							
a. To establish project organisation	4. Organisation chart	★	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
b. To conduct monitoring and evaluation activities	5. Monitoring report and evaluation report	■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			
c. To undertake general administrative activities	6. Activity report	■	■ ■ ■ ■ ■ ■ ■ ■	■ ■ ■ ■ ■ ■ ■ ■			

*Training C/P in Japan will be conducted as required.*

## ANNEX 2: LIST OF PERSONS INTERVIEWED/SURVEYED

### SMIDEC Management

Organisation	Name/Position	Contact
<b>Small and Medium Industries Development Corporation</b> Aras 20, West Wing, Menara MATRADE Jalan Khidmat Usaha, Off Jalan Duta, 50480 Kuala Lumpur	Dato' Hafsa Hashim (CEO)	Tel.:03-62076000 Ext: 6013 Mobile: 012-2003717 Fax.:03-62016564 Email: <a href="mailto:ke@smidec.gov.my">ke@smidec.gov.my</a>
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### Trainers (underlined) and SME Counsellors

Organisation	Name/Position	Contact
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### Small and Medium Enterprises

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Extra Built (M) Sdn Bhd	Mohd Fadzil A.Rashid Managing Director	No. 6-G & 6-1, Jalan Astaka LU8/L, Bukit Jelutong, 40150 Shah Alam, Selangor Tel: 03-78468980 Fax: 03-78471615
Zeito Plastic Components Sdn Bhd	Chew Boon Swee General Manager	Lot 19-6/8, Bersatu Ind. Kompleks, Jln CJ 1/1, Cheras Jaya, 43200 Cheras, Selangor Tel: 03-9074 9177 Fax: 03-9074 9096

Organisation	Name/Position	Contact
Selia Teck Industries Sdn. Bhd.	Ir. Abd. Wahid Abd. Hamid Executive Director	No. 12, Jalan TSB 7, Taman Industri. Sg. Buloh, 47000 Selangor Tel: 03-6157 2363 Fax: 03-6157 2742
Noraini Cookies Worldwide Sdn Bhd	Hajah Noraini bte Ahmad Managing Director	No. 1 Jalan Suria S U5/S, Taman Pinggiran Subang, 40150 Shah Alam, Selangor Tel: 03-78471276 Fax: 03-7847 1423
Ampston Electric Corp. Sdn Bhd	Cyndi Giam Factory Manager	Lot 20, Jalan BRP 9/1B, Putra Industrial. Park, 47000 Sg Buloh, Selangor Tel: 03-61561333 Fax: 03-61411398
Sabdariffa Enterprise	Rohayu bte Ayub Director	No.56, Jalan Melor 2, Desa Melor, 48200 Serendah, Selangor Tel: 03-60812832 Fax: 03-60812340
MM Murni Enterprise	Khalid bin Nordin Owner	No.26, Jalan Permai 2, Taman Puchong Permai, 47100 Puchong, Selangor Tel: 03-58850803 Fax: 03-58851191
Matrix Power Services Sdn. Bhd.	Norsham Ab.Rahman Executive Business Development	Lot 9, Jalan P/7, Seksyen 13, Kaw Perindustrian Bangi, 43650 BB Bangi, Selangor Tel: 03-8926 4941 Fax: 03-8926 4939
Desaku Trading	Ishak bin Basiran Director	No.1 Bangunan IKS Taman Seri Nakhoda, 45200 Sabak Bernam, Selangor Tel: 03-32138046 Fax: 03-32136563
Gif Eart	Tan Yet Mee Director	35-1, Jalan Kuchai Maju 6, Off Jalan Kuchai Lama, 58200 Kuala Lumpur Tel: 03-79819963
Chenson Health Products Sdn Bhd	Ng Mong Kia Managing Director	Ground Floor, Lot 9455-9458, Jalan Upper Sg. Apong, 93450 Kuching, Sarawak Tel: 082-343257 Fax: 082-337281
AFA Technologies Sdn Bhd	Saw Bee Tin	PT1626, Kawasan Perindustrian Krubong, Mukim Krubong, 75250 Melaka Tel: 06-3363518 Fax: 06-3344008



Organisation	Name/Position	Contact
Syarikat Anjung Warisan	Golnar Binti Daud Managing Director	313, Taman Aichi, Lorong Unai 2, Jalan Matang, 93050 Kuching, Sarawak Tel: 019-8892257
Amalgamated Metal Builders (M) Sdn Bhd	Norasidi Abd Rani Finance Manager	Lot 74-A, Jalan Gebeng 1/6, Gebeng Industrial Estate, 26280 Kuantan, Pahang Tel: 09-5833888
Sunlight Magic Sdn Bhd	Jab Hong Hing Director	12, Jalan Kuchai Maju 9, Off Jalan Kuchai Maju, 58200 Kuala Lumpur Tel: 012-3919192
Wahida Cosmetic and Supplier	Ustas Samsudin Rasyid Manager	Lot 2148 Jalan Seberkas Utama, Seberkas Shop, 98000 Miri, Sarawak Tel: 085-654496
Invenpro (M) Sdn Bhd	Liang Kien Hui Director	81, Jalan Taming 6, Taman Taming Jaya, 43300 Balakong, Selangor Tel: 03-89613210

#### Others

Organisation	Name/Position	Contact
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-	Toshiyuki OSUMI (JICA Expert)	

## ANNEX 3: LIST OF PARTICIPANTS

### *SME Counselors*

No.	Batch	Name	Agency / Division
1.1	1	Nik Syahril Nik Mahmood*	Enterprise Development & Entrepreneurship
1.2	1	Muneswari S. Munusamy*	Enterprise Development & Entrepreneurship
1.3	1	Nina Fazlina Muhamad*	Enterprise Development & Entrepreneurship
1.4	1	Aminuddin Mohamed*	Enterprise Development & Entrepreneurship
1.5	1	Murniati Binti Mokhtar*	Enterprise Development & Entrepreneurship
1.6	1	Kamsuzilawati Kamin*	Management Services
1.7	1	Muhamad Ibrahim*	Financing & Monitoring
1.8	1	Hazlin bt Ghazali*	Strategic Planning
1.9	1	Kausalya Gopal*	Strategic Planning
1.10	1	Roslan Mohamed*	Northern Regional Office
1.11	1	Firdaus M Yusop	SME Bank
1.12	1	Raja Sharizat Raja Redzna	SME Bank
1.13	1	Ati Djam S. Montoi	Malaysian Productivity Corporation (MPC)
1.14	1	Muhammad Idham Mohd Zain	MPC
2.1	2	Mohd Faiz Bin Mohamad Yunus*	Enterprise Development & Entrepreneurship
2.2	2	Tengku Azilah Tg Ab Aziz*	Enterprise Development & Entrepreneurship
2.3	2	Roshaidi Rosli*	Financing & Monitoring
2.4	2	Ursula Unnie Anak Thomas Salang*	Financing & Monitoring
2.5	2	Mohd Zumar Zainudin*	Financing & Monitoring
2.6	2	Reza Kamal Ramli*	Corporate Communications
2.7	2	Norliza Md Mokhtar*	Corporate Communications
2.8	2	Nik Muhd Kamil Bin Nik Ismail*	Management Services
2.9	2	Nor Azian bt Md Yusuf*	Strategic Planning
2.10	2	Azwani Elias*	Enterprise Development & Entrepreneurship
2.11	2	Tan Say Pooi	PSMB
2.12	2	Noreen Che Mid	MATRADE
2.13	2	Saidatul Hafeeza Mohd Rashid	MPC
2.14	2	Nur Hanim Abd Ghani	MPC

No.	Batch	Name	Agency / Division
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3.2	3	Azura Hani Mohd Mokhtazar*	Enterprise Development & Entrepreneurship
3.3	3	Maslinda Binti Zulkifly*	Enterprise Development & Entrepreneurship
3.4	3	Mohamad Rozlan Bin Mohamad Razali*	Enterprise Development & Entrepreneurship
3.5	3	Azrine Othman*	Management Services
3.6	3	Meor Shahril Isma bin Meor Abdullah*	Financing & Monitoring
3.7	3	Norhafizah binti Kamarudin*	Corporate Communications
3.8	3	Rafiza Bt Abdul Rajab*	Information Management & Statistic
3.9	3	Fadhlia Abd Satar*	Financing & Monitoring
3.10	3	Isma Isurizerly Ismail*	Financing & Monitoring
3.11	3	Asrul Muniff bin Azizan*	Financing & Monitoring
3.12	3	Saliza Saari	MPC
3.13	3	Azniza Abd Azizam	SME Bank
4.1	4	Zakira Izoffa Zainal*	Enterprise Development & Entrepreneurship
4.2	4	Wan Sakinah Wan Mohamad*	Enterprise Development & Entrepreneurship
4.3	4	Norfazilah Binti Othman*	Enterprise Development & Entrepreneurship
4.4	4	Masnani Bt. Bashirun*	Financing & Monitoring
4.5	4	Chai Sen Hong*	Financing & Monitoring
4.6	4	Ismail Hashim*	SMIDEC Sarawak Office
4.7	4	Nur Suhada binti Ahad*	Strategic Planning
4.8	4	Muhammad Mubarak Ishak*	Management Services
4.9	4	Abd Rahim Ishak*	Management Services
4.10	4	Mohamed Helmi Zahari*	SMIDEC Sabah Office
4.11	4	Hanisah Mohd Ramli	MPC
5.1	5	Mohd Izwan Ariffin*	Enterprise Development & Entrepreneurship
5.2	5	Wana Arena Putra Wan Abdullah*	Enterprise Development & Entrepreneurship
5.3	5	Shuhaidah Mohd Shariff*	Financing and Monitoring
5.4	5	Mohd Dzaid Khalid*	Financing and Monitoring
5.5	5	Md. Zahidan Hassan*	Information Management & Statistic
5.6	5	Faizulzahrin Zakaria*	Information Management & Statistic
5.7	5	Mohammad Nezwani Roba'i*	Information Management & Statistic
5.8	5	Farhana Sheikh Salim Alkhatib*	Corporate Communications
5.9	5	Amril Norman Nordin*	Corporate Communications

No.	Batch	Name	Agency / Division
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5.11	5	Tengku Zairu Azniza Tuan Zakaria*	Management Services
5.12	5	Ruzaimi Busu Leman*	Management Services
5.13	5	Aziatul Hasnida Sulaiman*	Management Services
5.14	5	Noor Hafizah Ibrahim*	SMIDEC Johor Office
5.15	5	Halimah Musa Brahim*	SMIDEC Sarawak Office
5.16	5	Rizuan Ramli*	Internal Audit

\* SMIDEC Staff

### ***Trainers of SME Counselors***

No.	Batch	Name	Division
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1.2	1	Mohd Faiz Mohamed Yunus	Enterprise Development & Entrepreneurship
1.3	1	Nik Muhd Kamil Nik Ismail	Management Services
1.4	1	Norliza Md Mokhtar	Corporate Communications
1.5	1	Roshaidi Rosli	Financing and Monitoring
2.1	2	Mohd Farid Awang*	Enterprise Development & Entrepreneurship
2.2	2	Abd Rahim Ishak*	Management Services
2.3	2	Rafiza Bt Abdul Rajab*	Information Management & Statistic
2.4	2	Maslinda Binti Zulkifly*	Enterprise Development & Entrepreneurship
2.5	2	Norhafizah Binti Kamarudin*	Corporate Communications

## **ANNEX 4: NOTES OF DISCUSSIONS**

### **Interview Meeting with SMIDEC**

Date: 13 October 2008

Venue: SMIDEC

Present: Dato Hafsah Hashim (CEO, SMIDEC)

Ms Rohana Ramly (Manager, Management Services Division)

Ms Lim Pao Li (Consultant, PE Research)

Ms Chong Siew Kook (Consultant, PE Research)

The purpose of the meeting was to discuss the status of the Project and to get feedback from the management of SMIDEC on the usefulness of the Project vis-à-vis the objectives of SMIDEC as the lead agency for SMI development. The meeting also enabled SMIDEC to provide an overview on the direction of development of SMIDEC.

According to the management, the Project is in line with the objectives of the organisation and the training that has been provided has enabled the staff to be more aware and knowledgeable on the challenges faced by SMIs. Overall, the staff are now more confident to provide the support services expected of them. Participation of the training was also extended to other agencies including the Malaysian Productivity Corporation, MATRADE and the SME Bank.

Since the reorganisation of SMIDEC in 2002, it has expanded and there has been significant staff increase. The new intake of staff will need to be trained so that they can handle the tasks at hand. The aim is to make SMIDEC the single reference point for SMIs. The trained SME Counselors will also be assigned to the SMIDEC state offices starting next year.

There are plans to corporatise SMIDEC in the near future.

### Interview Meetings with SMIs

Date: 29 October 2008

Venue: **Extra Built (M) Sdn Bhd**

No. 6-G & 6-1, Jalan Astaka LU8/L

Bukit Jelutong, 40150 Shah Alam, Selangor

Present: Mr Mohd Fadzil A. Rashid (Managing Director)

Ms Chong Siew Kook (Consultant, PE Research)

#### Summary Profile of Firm:

Main Product: Electronic products

Employment (2007): 35

Year of Establishment: 1996

Total Sales (2007): RM5.1 million

A corporate diagnosis on this firm was carried out in 2007.

The respondent thought SMIDEC only provide grants and was not aware about the business advisory services provided by SMIDEC.

Initially the “corporate diagnosis” report was not accepted by him and he found the negative comments in the report discouraging. However, he admitted about 85 per cent of the report reflected the current situation. He has managed to overcome the negative feeling and has taken positive action to address the shortcomings. After taking action to overcome the weaknesses, he decided to call the SMIDEC for follow-up. He suggested the SMIDEC should be pro-active to contact the firm for follow-up.

The interviewee said his firm was reluctant to participate in advisory services due to the shortage of managers in the firm. Most of his staffs were not competent enough to be involved in advisory services in order to improve the company performance.

Date: 30 October 2008

Venue: **Matrix Power Service Sdn Bhd**  
No.9 Jalan P/7 Seksyen 13, Bangi Industrial Area  
43650 Bandar Baru Bangi, Selangor

Present: Mr Norsham A.R  
Mr Wan Suffian W.M  
Mr Kawazoe (JICA, Malaysia Office)  
Ms Chong Siew Kook (Consultant, PE Research)

Summary Profile of Firm:

Main Product: Manufacturing electrical components

Employment (2007): 41

Year of Establishment: 1994

Total Sales (2007): RM5.3 million

A corporate diagnosis on this firm was carried out in 2007.

Matrix Power Services is a subsidiary of Ingress Berhad. The business direction is supported by Ingress Business Management System.

The interviewees commented that before the diagnosis, they thought that SMIDEC only offered grants. The “corporate diagnosis” was their first participation in SMIDEC business advisory programme.

However they are already aware on most of the findings in the report. The recommendations could only be implemented if the firm has the skills and abilities.

They suggested SMIDEC should do follow-up after they presented the corporate diagnosis to them.

Date: 31 October 2008

Venue: **MMI Murni Enterprise**

26, Jalan Permai 2, Taman Puchong Permai,  
47100 Puchong, Selangor

Present: Mr Khalid b Nordin

Ms Sakinah Abdullah

Mr Kawazoe (JICA, Malaysia Office)

Ms Chong Siew Kook (Consultant, PE Research)

Summary Profile of Firm:

Main Product: Manufacturing Carbonated and Soft drinks

Employment (2007): 6

Year of Establishment: 1998

Total Sales (2007): RM1.3 million

A corporate diagnosis on this firm was carried out in 2007.

The firm never approached SMIDEC to address major issues or challenges facing them because from their experience when approaching SMIDEC, the SMIDEC officer had only always advised them on how to apply grants. This firm accepted packaging grant from SMIDEC before.

The respondents suggested that the SME Counselors need to have more industrial work experience in order to improve their business advice services.



### **Interview Meetings with SME Counselors/Trainers**

Three personal interviews were conducted with SME Counselors / Trainers. Two were conducted by face-to-face method and one was conducted through telephone interview. The brief notes are as follows:

- Some participants were or will be transferred to different division. Some of the participants said their new post do not required the skills and knowledge that they learned from the courses as much as their previous division.
- The trip to Japan was more like a field visit. Thus a more in-depth training is required.
- Most of them are less confident to be the trainer because:
  - More training, in term of technical knowledge in respective field is needed in order for them to be more confident to be the trainer
  - All the trainers are occupied with their current job, thus, they can not fully concentrate in developing their training skills

## ANNEX 5: EVALUATION GRID

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
Relevance	1. Has the project addressed urgent and prioritised issues <sup>13</sup> with significant magnitude?	<ul style="list-style-type: none"> <li>Does the project match the needs of SME development in Malaysia?</li> <li>Does the project match the needs of SMIDEC?</li> </ul>	<ul style="list-style-type: none"> <li>Yes/No</li> </ul>	<ul style="list-style-type: none"> <li>Project background</li> <li>Project strategies</li> </ul>	<ul style="list-style-type: none"> <li>Project report</li> <li>SMIDEC</li> </ul>	<ul style="list-style-type: none"> <li>Literature review</li> <li>Interviews with SMIDEC</li> </ul>
	2. Has the project targeted appropriate direct and indirect beneficiaries that have important development needs?	-	<ul style="list-style-type: none"> <li>Yes/no</li> <li>Qualitative data</li> </ul>	<ul style="list-style-type: none"> <li>Project strategies and implementation plan</li> </ul>	<ul style="list-style-type: none"> <li>Project report</li> <li>SMIDEC</li> </ul>	<ul style="list-style-type: none"> <li>Literature review</li> <li>Interviews with SMIDEC</li> </ul>
	3. Was the project design and approach to the target issues appropriate?	-	<ul style="list-style-type: none"> <li>Yes/no</li> <li>Qualitative and quantitative data</li> </ul>	<ul style="list-style-type: none"> <li>Feedbacks from SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>

<sup>13</sup> The **basic issues** faced by the SMEs include market access, access to financing, low level of technological capabilities, low level of R&D, shortage of skilled workforce, and access to information.

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
Effectiveness	1. Is the project expected to achieve the Project Purpose by the time of project completion?	<ul style="list-style-type: none"> <li>Please rate the level of achievement by using the rating scales.</li> </ul>	<ul style="list-style-type: none"> <li>Yes/no</li> <li>Rank 1 (Low) to 5 (High)</li> </ul>	<ul style="list-style-type: none"> <li>Project operation plan</li> </ul>	<ul style="list-style-type: none"> <li>Project report</li> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Literature review</li> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	2. Can we verify that the outputs have contributed to the achievement and realisation of the project purpose?	<ul style="list-style-type: none"> <li>Was there any improvement in SME counselors' analysis skills and knowledge on SME as a result of the project?</li> <li>Has the level of achievement of SME counselors met the target values?</li> <li>Have the SME counsellors been trained appropriately?</li> <li>Have the counsellor trainers been trained appropriately?</li> </ul>	<ul style="list-style-type: none"> <li>Positive self-assessment test from the SME counsellor</li> <li>Positive feedback from the SME firms on the SME counsellor knowledge and analytical skills</li> </ul>	<ul style="list-style-type: none"> <li>Feedback from SME Counsellors</li> <li>Feedback from SME firms</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> <li>SME firms</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	3. What are the major causes of achievement and/or inhibition to realisation of the project purpose and how valid are the statements?	-	Qualitative data	Qualitative data	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
Efficiency	1. Has the project been cost-effective in comparison with similar and/or past projects and experiences?	<ul style="list-style-type: none"> <li>Was there a similar project running currently or in the past? What was the project cost?</li> </ul>	<ul style="list-style-type: none"> <li>Yes/no</li> </ul>	<ul style="list-style-type: none"> <li>Project cost</li> <li>Similar project cost (if any)</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>JICA</li> </ul>	<ul style="list-style-type: none"> <li>Literature review</li> <li>Interviews with SMIDEC</li> </ul>
	2. Have all designed and scheduled outputs in log frame been realised?	-	<ul style="list-style-type: none"> <li>80 staff (from divisions in direct contact with SMEs) to become SME Counsellors</li> <li>10 trainers</li> </ul>	<ul style="list-style-type: none"> <li>No. of staff to become SME counsellors</li> <li>No. of trainers who can conduct counsellor training</li> </ul>	SMIDEC	Interviews with SMIDEC
	3. Were all inputs effective and attributable to realise output? Were there any unnecessary or less efficient inputs and activities?	-	<ul style="list-style-type: none"> <li>Number of Japanese experts</li> <li>Training of Malaysian Counterpart Personnel in Japan</li> <li>Office, work space and relevant facilities</li> </ul>	<ul style="list-style-type: none"> <li>Qualitative data</li> <li>Feedback from SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	4. What are the factors that inhibit or contribute to the efficiency of project implementation process?	-	Qualitative data		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
Impact	1. Has the project developed a structure to achieve higher and broader development results such as structure and mechanism of knowledge and/or methods sharing?	<ul style="list-style-type: none"> <li>Has SMIDEC or its divisions developed similar structures?</li> </ul>	<ul style="list-style-type: none"> <li>Yes/No</li> <li>Qualitative data</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	2. Are there any preliminary impacts of the project to the development results on the ground?	<ul style="list-style-type: none"> <li>Has the overall goal been achieved (or is it going to be achieved)?</li> <li>Has the project purpose been achieved (or is it going to be achieved)?</li> </ul>	<ul style="list-style-type: none"> <li>Comparison between before and after implementation:</li> <li>Increase in number of activities undertaken as SMIDEC programs</li> <li>Increase in number of SMEs receiving advisory services by SMIDEC</li> <li>Number of SMEs being satisfied with SMIDEC programs</li> <li>SMES' productivity index</li> <li>Numbers of SMEs receiving Market Development Grand (MDG)</li> <li>Increase in numbers of SMEs participating in international trade mission and fairs</li> </ul>	<ul style="list-style-type: none"> <li>Number of activities undertaken as SMIDEC programs</li> <li>Number of SMEs receiving advisory services by SMIDEC</li> <li>Number of SMEs being satisfied with SMIDEC programs</li> <li>SMES' productivity index</li> <li>Numbers of SMEs receiving Market Development Grand (MDG)</li> <li>Numbers of SMEs participating in international trade mission and fairs</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>Malaysia Productivity Corporation (MPC)</li> <li>Matrade</li> <li>SME Counsellors</li> <li>SME firms</li> </ul>	<ul style="list-style-type: none"> <li>Literature review</li> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
Sustainability	1. Has the project prepared embedded structure of sustainability so that counterpart organisation would start own activities and maintain the outcome of the project without support after completion of the project?	<ul style="list-style-type: none"> <li>Specifically, what kinds of treatment have been done to develop organisational and institutional settings of training or other targeted activities?</li> <li>Has the counterpart organisation developed income generating structure, got any political commitment for budgeting for the future from the higher authority or at least raised another funds from the donors?</li> </ul>	<ul style="list-style-type: none"> <li>Budget allocation</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC budget and annual reports</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> </ul>	<ul style="list-style-type: none"> <li>Interview with SMIDEC</li> </ul>
	2. How likely can the project outcomes be maintained?	<ul style="list-style-type: none"> <li>How does SMIDEC retain all the trained counsellors?</li> <li>What are the impediments faced by SMIDEC to maintain the project outcomes?</li> </ul>	<ul style="list-style-type: none"> <li>Staff turnover</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	3. What are the factors that contribute/inhibit the sustainability of the project outcomes such as appropriateness of the project planning and the technology transferred, and external factors?	<ul style="list-style-type: none"> <li>Are there any budgetary constraints?</li> <li>Are there any technology transfer or skills issues?</li> <li>Are there any institutional challenges?</li> </ul>	<ul style="list-style-type: none"> <li>Qualitative data</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC budget</li> <li>Organisational structure</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
<b>MONITORING AND LEARNING PROCESS</b>	1. Have JICA Office staff in charge of the project, JICA experts, JICA trainers in Japan, and counterpart staff in the counterpart organisations properly monitored the progress of the project and identified any concerns and ideas in an open and honest manner particularly in the terms of the relevance of the project approach, unforeseen external factors?		<ul style="list-style-type: none"> <li>Qualitative data</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring reports</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	2. Has the project management been flexible enough to change their response when they encounter new ideas and concerns?		<ul style="list-style-type: none"> <li>Yes/no</li> <li>Qualitative data</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> <li>JICA experts</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	3. Has the project been open enough to listen to the ideas and concerns to stakeholders such as beneficiaries on the ground and non-governmental organisations?		<ul style="list-style-type: none"> <li>Yes/no</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> <li>JICA experts</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>

Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
MID-TERM EVALUATION STUDY	1. Were the recommendations by mid-term evaluation study implemented and executed properly by counterpart and JICA?		<ul style="list-style-type: none"> <li>Yes/no</li> </ul>	<ul style="list-style-type: none"> <li>Mid-term evaluation report</li> </ul>	<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> <li>JICA experts</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	2. Were the above recommendations appropriate from the viewpoint of clear goal settings, time frame, feasibility and responsibility?		<ul style="list-style-type: none"> <li>Yes/no</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> <li>JICA experts</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
	3. What are the possible causes underlying successes and/or failure of realisation of recommendations?		<ul style="list-style-type: none"> <li>Yes/no</li> <li>Qualitative data</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>SME Counsellors</li> <li>JICA experts</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Questionnaire survey</li> </ul>
Recommendations	1. What should the counterpart and JICA do to realise the project purpose by the completion of the project, in accordance with the above conclusion and analyses on promoting and/or inhibiting factors? Which sections or who are responsible for each action?		<ul style="list-style-type: none"> <li>Qualitative data</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>JICA</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Interview with JICA</li> <li>Questionnaire survey</li> </ul>
	2. What should the counterpart and JICA do to maintain the project purpose and expand its effects after the completion of the project? Which sections or who are responsible for each action? What is the time line for each action?		<ul style="list-style-type: none"> <li>Qualitative data</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>JICA</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Interview with JICA</li> <li>Questionnaire survey</li> </ul>



Evaluation criteria	Evaluation Questions		Achievement Criteria / Measures	Data Needed	Data Sources	Data Collection Method
	Main Questions	Sub-Questions				
LESSON LEARNED	What are the suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation based on the evaluation study conducted?		<ul style="list-style-type: none"> <li>Qualitative data</li> </ul>		<ul style="list-style-type: none"> <li>SMIDEC</li> <li>JICA</li> <li>SME Counsellors</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with SMIDEC</li> <li>Interview with JICA</li> <li>Questionnaire survey</li> </ul>

Time Period of data requests: 2006 - present

1. Overall Project Goal: Considerable number of SMEs in Malaysia becomes productivity driven, technologically capable and globally competitive by receiving SMIDEC's services.

# ANNEX 6: QUESTIONNAIRES

## JICA-SMIDEC

### TERMINAL EVALUATION STUDY ON THE DEVELOPMENT OF HUMAN RESOURCE FOR SMALL AND MEDIUM INDUSTRIES DEVELOPMENT CORPORATION 2008

#### Management Survey

JICA Malaysia Office has appointed PE Research Sdn Bhd to carry out the Terminal Evaluation for the project on the **Development of Human Resource for Small and Medium Industries Development Corporation (SMIDEC)**. This project is aimed at improving SMIDEC's support service in the areas of management, marketing skills, financial through the training of SMIDEC staff. This project commenced from May 2006 and will end in March 2009. This terminal evaluation study is expected to verify the importance issues related to project relevance, effectiveness, efficiency, impact, sustainability observed from the project, recommendations and lesson learned. The results of this evaluation study will contribute to examine the achievements of the project.

Your participation in the survey is crucial to the success of the study. It should take not more than 15 minutes to complete this survey.

Name of Respondent: Mr./Ms./Mrs. \_\_\_\_\_

Designation: \_\_\_\_\_

Address & Contact: \_\_\_\_\_

Interviewer: \_\_\_\_\_

Date: \_\_\_\_\_ 2008

#### SECTION 1: RELEVANCE

1. Has the project addressed urgent and prioritised issues facing SMIs? (*Basic issues: market access, access to financing, low level of technological capabilities, low level of R&D, shortage of skilled workforce, and access to information*)  
1 ☐ Yes                      2 ☐ No
  
2. Does the project match the needs of SME development in Malaysia? Please provide statistics to support this.  
1 ☐ Yes                      2 ☐ No
  
3. Does the project match the needs of SMIDEC?

1 ☐ Yes 2 ☐ No

4. Has the project targeted appropriate direct and indirect beneficiaries that have important development needs?

1 ☐ Yes 2 ☐ No

List direct and indirect beneficiaries:

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5. Was the project design and approach to the target issues appropriate?

1 ☐ Yes 2 ☐ No

Please elaborate:

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## SECTION 2: EFFECTIVENESS

6. Is the project expected to achieve the Project Purpose by the time of project completion?

1 ☐ Yes 2 ☐ No

If No, please elaborate:

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7. Please rate the level of achievement by using the rating scales. (1=Low to 5=High)

	Low				High
i) Overall achievement	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
ii) Numbers of activities undertaken as SMIDEC program	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
iii) Numbers of SMEs receiving advisory services by SMIDEC	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
iv) Numbers of SMEs being satisfied with SMIDEC programs	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

8. Was there any improvement in SME counselors' analysis skills and knowledge on SME as a result of the project?

1 ☐ Yes 2 ☐ No

9. Has the level of achievement of SME counselors met the target values?

1 ☐ Yes 2 ☐ No

10. Have the SME counselors been trained appropriately?

1 ☐

Yes

2 ☐

No

11. Have the counselor trainers been trained appropriately?

1 ☐

Yes

2 ☐

No

12. What are the major causes of achievement and/or inhibition to realisation of the project purpose and how valid are the statements?

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### SECTION 3: EFFICIENCY

13. Was there a similar project running currently or in the past?

i)

1 ☐

Yes

2 ☐

No

ii) If yes, what was the project cost?

RM

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14. Have all designed and scheduled outputs in log frame been realised?

	Outputs	Yes	No	Number of staff trained
i)	SME counselors are appropriate trained	1 <input type="checkbox"/>	2 <input type="checkbox"/>	
ii)	Trainers for counselors training are appropriately trained	1 <input type="checkbox"/>	2 <input type="checkbox"/>	

15. Were all inputs as stated below effective and attributable to realise the outputs?

	Inputs	Yes	No
i)	Number of Japanese experts	1 <input type="checkbox"/>	2 <input type="checkbox"/>
ii)	Training of Malaysia Counterpart personnel in Japan	1 <input type="checkbox"/>	2 <input type="checkbox"/>
iii)	Office, work space and relevant facilities	1 <input type="checkbox"/>	2 <input type="checkbox"/>

16. What are the factors that inhibit or contribute to the efficiency of project implementation process?

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## SECTION 4: IMPACT

17. Has the project developed a structure to achieve higher and broader development results such as structure and mechanism of knowledge and/or methods sharing?  
1 ☐ Yes 2 ☐ No
18. Has SMIDEC or its divisions developed similar structures?  
1 ☐ Yes 2 ☐ No
19. Are there any preliminary impacts of the project to the development results on the ground?

20. Has the overall goal been achieved (or is it going to be achieved)?  
1 ☐ Yes 2 ☐ No; why?
21. Has the project purpose been achieved (or is it going to be achieved)?  
1 ☐ Yes 2 ☐ No; why?
22. Comparison between before and after implementation of JICA project.

	Before project (Number/p.a.)	After project (Number/p.a.)
i) Number of activities undertaken as SMIDEC programs		
ii) Number of SMEs receiving advisory services by SMIDEC		
iii) Number of SMEs being satisfied with SMIDEC programs		
iv) SMEs' productivity index		
v) Numbers of SMEs receiving Market Development Grand (MDG)		
vi) Numbers of SMEs participating in international trade mission and fairs		

## SECTION 5: SUSTAINABILITY

23. Has the project prepared / embedded a structure of sustainability so that SMIDEC would start its own activities and maintain the outcome of the project without support after completion of the project?  
1 ☐ Yes 2 ☐ No; why?

Please elaborate:

24. Specifically, what kinds of treatment have been done to develop organisational and institutional settings of training or other targeted activities?

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25. Has the counterpart organisation developed income generating structure

1 ☐ Yes                      2 ☐ No

26. Is there any political commitment for budgeting for the future from the higher authority or at least raised another funds from the donors?

1 ☐ Yes                      2 ☐ No

27. How does SMIDEC retain all the trained counsellors and trainers?

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28. What are the impediments faced by SMIDEC to maintain the project outcomes?

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29. What are the factors that contribute/inhibit the sustainability of the project outcomes such as  
i) appropriateness of the project planning and the technology transferred, and external factors?

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ii)		Factors	Yes	No	Explain
a		Are there any <b>budgetary constraints</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	
b		Are there any <b>technology transfer or skills issues</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	
c		Are there any <b>institutional challenges</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	

## SECTION 6: MONITORING AND LEARNING PROCESS

30. Have JICA Office staff in charge of the project, JICA experts, JICA trainers in Japan, and counterpart staff in the counterpart organisations properly monitored the progress of the project and identified any concerns and ideas in an open and honest manner particularly in the terms of the relevance of the project approach, unforeseen external factors?

1 ☐ Yes                      2 ☐ No; why?

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31. Has the project management been flexible enough to change their response when they encounter new ideas and concerns?

1 ☐ Yes                      2 ☐ No; why?

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---

32. i) What should SMIDEC and JICA do to realise the project purpose by the completion of the project, in accordance with the above conclusion and analyses on promoting and/or inhibiting factors?

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- ii) Which sections or who are responsible for each action?

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- 33.i) What should SMIDEC and JICA do to maintain the project purpose and expand its effects after the completion of the project?

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- ii) Which sections or who are responsible for each action?

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- iii) What is the time line for each action?

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## SECTION 8: LESSON LEARNED

34. What are the suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation based on the evaluation study conducted?

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**Thank you!**

Please return by Fax: 03-78042863 or E-mail: [info@peresearch.com.my](mailto:info@peresearch.com.my).



## JICA-SMIDEC

### TERMINAL EVALUATION STUDY ON THE DEVELOPMENT OF HUMAN RESOURCE FOR SMIDEC 2008

#### SME Trainers Survey

JICA Malaysia Office has appointed PE Research Sdn Bhd to carry out the Terminal Evaluation for the project on the **Development of Human Resource for Small and Medium Industries Development Corporation (SMIDEC)**. This project is aimed at improving SMIDEC's support service in the areas of management, marketing skills, financial through the training of SMIDEC staff. This project commenced from May 2006 and will end in March 2009. This terminal evaluation study is expected to verify the importance issues related to project relevance, effectiveness, efficiency, impact, sustainability observed from the project, recommendations and lesson learned. The results of this evaluation study will contribute to examine the achievements of the project.

Your participation in the survey is crucial to the success of the study. It should take not more than 15 minutes to complete this survey.

**Name of Respondent:** Mr./Ms./Mrs. \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Current job description:** \_\_\_\_\_

**Years with agency:** \_\_\_\_\_

**Highest Professional Qualification Obtained:** \_\_\_\_\_

**Your area of expertise/ specialisation:** \_\_\_\_\_

**Age / Sex:** \_\_\_\_\_ years      1 ☐ Male      2 ☐ Female

1. Was the training program and approach of the project appropriate to address the problems/challenges and needs of SMEs and to provide preliminary advice to SMEs?

1 ☐ Yes      2 ☐ No

Please elaborate: \_\_\_\_\_

2. Please rate the usefulness of the training during the Project to your current job by using the rating scales. (1=Not at all useful to 5=Very useful)

	Not at all useful				Very useful
i) Basic knowledge on SME counselling	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
ii) Financial management and accounting	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
iii) Tax laws and tax management	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
iv) Production management	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
v) Marketing	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
vi) Corporate diagnosis	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

Please elaborate: \_\_\_\_\_

3. Do you think the project can achieve the Project Purpose (i.e. SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through this training program) by the time of project completion in mid 2009?

1 ☐ Yes                      2 ☐ No

Why?

4. Was there any improvement in your analysis skills and knowledge on SME as a result of the project?

1 ☐ Yes                      2 ☐ No; why?

5. After completing your TOT program, are you confident to train SME counselors?

1 ☐ Yes                      2 ☐ No; why?

6. How valid are the following statements?

**Through this training program, you  
can effectively train counsellors  
in....**

**Do not  
agree**

**Fully  
agree**

**Explain**

General SME counseling

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Management

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Marketing

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Financial support services

1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐

7. How many SME counsellors have you trained / SME counsellor training courses have you conducted since completing your TOT program?

\_\_\_\_\_ SME counsellors

\_\_\_\_\_ SME training courses

8. How do you rate yourself as a trainer counselor. (1= unsatisfactory; 5 = excellent)

1 ☐                      2 ☐                      3 ☐                      4 ☐                      5 ☐

9. In your opinion, what are the **other criteria/skills** required for you to become a proficient SME trainer counsellor?

10. How do you rate yourself as an SME counselor. (1= unsatisfactory; 5 = excellent)

1 ☐                      2 ☐                      3 ☐                      4 ☐                      5 ☐

11. On average, how many SME counselling sessions do you handle each month, before and after your training?

Before training: \_\_\_\_\_

After training: \_\_\_\_\_

12. What other knowledge or training would need to enhance your skills in the future?

---

13. Were all inputs as stated below effective and attributable to realise the outputs?

	Inputs	Yes	No
i)	Number of Japanese experts	1 <input type="checkbox"/>	2 <input type="checkbox"/>
ii)	Training venue	1 <input type="checkbox"/>	2 <input type="checkbox"/>
iii)	Training materials	1 <input type="checkbox"/>	2 <input type="checkbox"/>

14. What are the factors that inhibit or contribute to the efficiency of project implementation process?

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15. Are there any preliminary impacts of the project to the development results (e.g. increase of SMEs' productivity) on the ground? Please elaborate.

---

16. Has the overall goal (i.e. a considerable number of SMEs in Malaysia become productivity driven, technologically capable and globally competitive by receiving SMIDEC's services) been achieved (or is it going to be achieved)?

1 ☐ Yes

2 ☐ No; why?

17. In your opinion, what are the impediments faced by SMIDEC to maintain the project outcomes?

---

18. i) What are the factors that contribute/inhibit the sustainability of the project outcomes such as appropriateness of the project planning and the technology transferred, and external factors?

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Factors		Yes	No	Explain
a	Are there any <b>technology transfer or skills issues</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	
b	Are there any <b>institutional challenges</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	

19. What are your suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation based on the evaluation study conducted?

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**Thank you!**

Please return by Fax: 03-78042863 or E-mail: [info@peresearch.com.my](mailto:info@peresearch.com.my).

## JICA-SMIDEC

### TERMINAL EVALUATION STUDY ON THE DEVELOPMENT OF HUMAN RESOURCE FOR SMALL AND MEDIUM INDUSTRIES DEVELOPMENT CORPORATION 2008

#### JICA-Experts Survey

**JICA Malaysia Office** has appointed **PE Research Sdn Bhd** to carry out the Terminal Evaluation for the project on the **Development of Human Resource for Small and Medium Industries Development Corporation (SMIDEC)**. This project is aimed at improving SMIDEC's support service in the areas of management, marketing skills, financial through the training of SMIDEC staff. This project commenced from May 2006 and will end in March 2009. This terminal evaluation study is expected to verify the importance issues related to project relevance, effectiveness, efficiency, impact, sustainability observed from the project, recommendations and lesson learned. The results of this evaluation study will contribute to examine the level of achievement of the project.

Your participation in the survey is crucial to the success of the study. It should take not more than 15 minutes to complete this survey.

**Name of Respondent:** Mr./Ms./Mrs./Dr. \_\_\_\_\_  
**Designation:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Email:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

#### SECTION 1: MONITORING AND LEARNING PROCESS

1. Has the project management been flexible enough to change their response when they encounter new ideas and concerns?  
1 ☐ Yes                      2 ☐ No; why?
  
2. Has the project been open enough to listen to the ideas and concerns to stakeholders such as beneficiaries on the ground and non-governmental organisations?  
1 ☐ Yes                      2 ☐ No; why?

## SECTION 2: RECOMMENDATIONS

3. i) What should SMIDEC and JICA do to realise the project purpose by the completion of the project, in accordance with the above conclusion and analyses on promoting and/or inhibiting factors?

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- ii) Which sections or who are responsible for each action?

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4. i) What should SMIDEC and JICA do to maintain the project purpose and expand its effects after the completion of the project?

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- ii) Which sections or who are responsible for each action?

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- iii) What is the time line for each action?

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## SECTION 3: LESSON LEARNED

5. What are the suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation based on the evaluation study conducted?

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**Thank you!**

Please return by Fax: 03-78042863 or E-mail: [info@peresearch.com.my](mailto:info@peresearch.com.my).

## JICA-SMIDEC

### TERMINAL EVALUATION STUDY ON THE DEVELOPMENT OF HUMAN RESOURCE FOR SMALL AND MEDIUM INDUSTRIES DEVELOPMENT CORPORATION 2008

#### SME Counselors Survey

**JICA Malaysia Office** has appointed **PE Research Sdn Bhd** to carry out the Terminal Evaluation for the project on the **Development of Human Resource for Small and Medium Industries Development Corporation (SMIDEC)**. This project is aimed at improving SMIDEC's support service in the areas of management, marketing skills, financial through the training of SMIDEC staff. This project commenced from May 2006 and will end in March 2009. This terminal evaluation study is expected to verify the importance issues related to project relevance, effectiveness, efficiency, impact, sustainability observed from the project, recommendations and lesson learned. The results of this evaluation study will contribute to examine the achievements of the project.

Your participation in the survey is crucial to the success of the study. It should take not more than 15 minutes to complete this survey.

**Name of Respondent:** Mr./Ms./Mrs. \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Current job description:** \_\_\_\_\_

**Years with agency:** \_\_\_\_\_

**Highest Professional Qualification Obtained:** \_\_\_\_\_

**Your area of expertise/ specialisation:** \_\_\_\_\_

**Age / Sex:** \_\_\_\_\_ years      1 ☐ Male      2 ☐ Female

1. Was the training program and approach of the project appropriate to address the problems/challenges and needs of SMEs and to provide preliminary advice to SMEs?

1 ☐ Yes      2 ☐ No

Please elaborate: \_\_\_\_\_

2. Please rate the usefulness of the training during the Project to your current job by using the rating scales. (1=Not at all useful to 5=Very useful)

	Not at all useful				Very useful
i) Basic knowledge on SME counseling	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
ii) Financial management and accounting	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
iii) Tax laws and tax management	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
iv) Production management	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
v) Marketing	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
vi) Corporate diagnosis	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

Please elaborate. \_\_\_\_\_

- 
- 
3. Do you think the project can achieve the Project Purpose (i.e. SMIDEC becomes an agency to effectively support SMEs in management and marketing skills as well as financial support services through this training program) by the time of project completion in mid 2009?

1 ☐ Yes                      2 ☐ No

Why? \_\_\_\_\_

---

4. Was there any improvement in your analysis skills and knowledge on SME as a result of the project?

1 ☐ Yes                      2 ☐ No; why?

5. How valid are the following statements?

	Through this training program, you can effectively support SMEs in...	Do not agree					Fully agree	Explain
i)	General SME counseling	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>		
ii)	Management	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>		
iii)	Marketing	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>		
iv)	Financial support services	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>		

6. How do you rate yourself as an SME counselor. (1= unsatisfactory 5 = excellent)

1 ☐                      2 ☐                      3 ☐                      4 ☐                      5 ☐

7. In your opinion, what are the **other criteria/skills** required for you to become a proficient/effective SME counsellor?

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8. On average, how many SME counselling sessions do you handle each month, before and after your training?

Before training: \_\_\_\_\_ After training: \_\_\_\_\_

9. What other knowledge or training would need to enhance your skills in the future?

---

10. Were all inputs as stated below effective and attributable to realise the outputs?

Inputs	Yes	No
i) Number of Japanese experts	1 <input type="checkbox"/>	2 <input type="checkbox"/>
ii) Training venue	1 <input type="checkbox"/>	2 <input type="checkbox"/>
iii) Training materials	1 <input type="checkbox"/>	2 <input type="checkbox"/>

11. What are the factors that inhibit or contribute to the efficiency of project implementation process?

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- 
- 
12. Are there any preliminary impacts of the project to the development results (e.g. increase of SMEs' productivity) on the ground? Please elaborate

- 
- 
13. Has the overall goal (i.e. a considerable number of SMEs in Malaysia become productivity driven, technologically capable and globally competitive by receiving SMIDEC's services) been achieved (or is it going to be achieved)?

1 ☐ Yes                      2 ☐ No; why?

14. In your opinion, what are the impediments faced by SMIDEC to maintain the project outcomes?

- 
- 
- 15.i) What are the factors that contribute/inhibit the sustainability of the project outcomes such as appropriateness of the project planning and the technology transferred, and external factors?

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ii) Factors	Yes	No	Explain
a Are there any <b>technology transfer or skills issues</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	
b Are there any <b>institutional challenges</b> ?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	

16. What are your suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation based on the evaluation study conducted?

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**Thank you!**

Please return by Fax: 03-78042863 or E-mail: [info@peresearch.com.my](mailto:info@peresearch.com.my).

## JICA-SMIDEC

### TERMINAL EVALUATION STUDY ON THE DEVELOPMENT OF HUMAN RESOURCE FOR SMALL AND MEDIUM INDUSTRIES DEVELOPMENT CORPORATION 2008

#### SME Survey

**JICA Malaysia Office** has appointed **PE Research Sdn Bhd** to carry out the Terminal Evaluation for the project on the **Development of Human Resource for Small and Medium Industries Development Corporation (SMIDEC)**. This project is aimed at improving SMIDEC's support service in the areas of management, marketing skills, financial through the training of SMIDEC staff. This project commenced from May 2006 and will end in March 2009. This terminal evaluation study is expected to verify the importance issues related to project relevance, effectiveness, efficiency, impact, sustainability observed from the project, recommendations and lesson learned. The results of this evaluation study will contribute to examine the achievements of the project.

Your participation in the survey is crucial to the success of the study. It should take no more than 15 minutes to complete this survey. Your responses will be kept in strictest confidence.

**Name of Company:** \_\_\_\_\_

**Name of Respondent:**

Mr./Ms./Mrs. \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Interviewer:** \_\_\_\_\_

**Date:** \_\_\_\_\_

#### SECTION 1: BACKGROUND OF COMPANY

1. What is the main product of your firm? \_\_\_\_\_
2. Total number of employees in  
2006 \_\_\_\_\_  
2007 \_\_\_\_\_
3. Year of establishment \_\_\_\_\_
4. What is the paid-up capital of your firm? RM \_\_\_\_\_
5. Total Sales in:  
2006 RM \_\_\_\_\_  
2007 RM \_\_\_\_\_
6. Ownership of your firm:  
1 ☐ 100% local  
2 ☐ More than 50% local  
3 ☐ More than 50% foreign  
4 ☐ 100% Foreign  
5 ☐ Others

## SECTION 2: EVALUATION

7. i) Have you received any advisory services from SMIDEC?

1 ☐ Yes                                      2 ☐ No (Go to Q9)

- ii) If yes, please specify the type and number of advisory services so far

	Type of advisory services	Year
a		
b		
c		
d		

8. i) Are you satisfied with the advisory services provided by SMIDEC?

**Not satisfied  
at all**

1 ☐

2 ☐

3 ☐

4 ☐

**Very  
satisfied**

5 ☐

- ii) If satisfied, please specify the reason for satisfactory.

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- iii) If not satisfied, please explain.

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9. Has your firm received any Market Development Grant (MDG)?

1 ☐ Yes                                      2 ☐ No

10. How many times has your firm participated in international trade mission and fairs?

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11. What are the major issues/challenges faced in by your firm? (Tick all that are applicable)

- 1 ☐ Lack of funding  
 2 ☐ Technology  
 3 ☐ Skilled manpower  
 4 ☐ Competition from abroad  
 5 ☐ Lack of appropriate technology and skill to produce higher value products  
 6 ☐ Lack of advisory services in domestic market  
 7 ☐ Availability of raw materials

12. Does your firm seek advice from the SME counselors to address your major issues/challenges?  
 1 ☐ Yes                                      2 ☐ No (Go to Q15)
13. Please indicate the areas/topics for which your firm has sought advice from SMIDEC/SME counselors.
- |   |                                |                               |
|---|--------------------------------|-------------------------------|
| Lack of funding   | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
| Technology  | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
| Skilled manpower  | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
| Competition from abroad   | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
| Lack of appropriate technology and skill to produce higher value products | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
| Lack of advisory services in domestic market                              | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
| Availability of raw materials   | 1 <input type="checkbox"/> Yes | 2 <input type="checkbox"/> No |
14. How would you rate the skills and knowledge of the SME counselors when dealing with SMI issues and challenges? (1=Low to 5=High)
- |   | Low                        |                            |                            |                            |                            | High |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------|
| Lack of funding   | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
| Technology  | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
| Skilled manpower  | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
| Competition from abroad   | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
| Lack of appropriate technology and skill to produce higher value products | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
| Lack of advisory services in domestic market                              | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
| Availability of raw materials   | 1 <input type="checkbox"/> | 2 <input type="checkbox"/> | 3 <input type="checkbox"/> | 4 <input type="checkbox"/> | 5 <input type="checkbox"/> |      |
15. Would you go to SMIDEC for future advisory services?  
 1 ☐ Yes                                      2 ☐ No  
 Why?  
 \_\_\_\_\_  
 \_\_\_\_\_
16. What are the suggestions and comments that can be shared and utilised by SMIDEC in the future project formulation and implementation based on the evaluation study conducted?  
 \_\_\_\_\_  
 \_\_\_\_\_

**Thank you!**

Please return by Fax: 03-78042863 or E-mail: [info@peresearch.com.my](mailto:info@peresearch.com.my) .

## ANNEX 7: DATA COLLECTION AND ANALYSIS RESULTS

### *SME Firm Survey*

**Table 1: Firms Being Visited & Diagnosed**

	Percent	n
Yes	55.6	10
No	44.4	8
<b>Total</b>	<b>100.0</b>	<b>18</b>

Source: SME Survey

**Table 2: Main Product of the Firms**

	Percent	n
Food & Beverage	27.8	5
Electrical & Electronic	16.7	3
Machinery	11.1	2
Plastic	11.1	2
Services	11.1	2
Herbal	11.1	2
Metal Product	5.6	1
Gift & Souvenir	5.6	1
<b>Total</b>	<b>100.0</b>	<b>18</b>

Source: SME Survey

**Table 3: Number of Employees in Year 2007**

	Percent	n
Less than 5 employees	18.8	3
Between 5 - 50 employees	56.3	9
Between 51 - 150 employees	18.8	3
More than 150 employees	6.3	1
<b>Total</b>	<b>100.0</b>	<b>16</b>

Source: SME Survey,

Note: 1 company was only established in year 2008 (1 missing case; 16 Valid cases)

**Table 4: Paid-up Capital of Firm**

	Percent	n
Less than RM100,000	6.3	1
Between RM100,000 & less than RM500,000	50.0	8
Between RM500,000 & less than RM1 Million	18.8	3
Between RM1 Million & less than RM3 Million	18.8	3
RM3 Million & above	6.3	1
<b>Total</b>	<b>100.0</b>	<b>16</b>

Source: SME Survey (2 missing cases, 16 valid cases)

**Table 5: Total Sales in year 2007**

	Percent	n
Less than RM250,000	14.3	2
Between RM250,000 & less RM10 Million	57.1	8
Between RM10 Million - RM25 Million	21.4	3
More than RM25 Million	7.1	1
<b>Total</b>	<b>100.0</b>	<b>14</b>

Source: SME Survey, Note: 1 company establish in year 2008 (3 missing cases, 14 valid cases)

**Table 6: Ownership of the Firm**

	Percent	n
<b>100% local</b>	<b>100.0</b>	<b>17</b>

Source: SME Survey (1 missing case)

**Table 7: Whether firm has received advisory services from SMIDEC**

	Percent	n
Yes	72.2	13
No	27.8	5
<b>Total</b>	<b>100.0</b>	<b>18</b>

Source: SME Survey, Q7 i)

**Table 8: Advisory Services Received (multiple answers)**

Advisory Service	Percent	n
Corporate Diagnosis	30.8	4
Grant	30.8	4
Business Development/Marketing	30.8	4
Training	15.4	2

Source: SME Survey, Q7 ii) (13 valid cases)

**Table 9: Degree of Satisfaction with advisory services provided by SMIDEC**

Rate	Percent	n
1 = Not satisfied at all	-	-
2	-	-
3	46.2	6
4	46.2	6
5 = Very satisfied	7.7	1
<b>Total</b>	<b>100.0</b>	<b>13</b>

Source: SME Survey, Q8 i) (13 valid cases)

**Table 10: Reasons for Satisfaction/Non-Satisfaction with the Advisory Services**

	Reasons	Frequency	Percent
Satisfied	Clear information	4	30.8
	Evaluation is comprehensive	3	23.1
	Help in expansion of business	2	15.4
	Applicable	1	7.7
	Being concerned	1	7.7
	Learned to operate effectively	1	7.7
Not Satisfied	Duration of diagnosis is too short	1	5.6
	Evaluation comments are not detail enough	1	5.6

Source: SME Survey, Q8 ii) & iii) (13 valid cases)

**Table 11: Whether firm has received any Market Development Grant (MDG)**

	Percent	n
Yes	33.3	6
No	66.7	12
<b>Total</b>	<b>100.0</b>	<b>18</b>

Source: SME Survey, Q9

**Table 12: Frequency of participation in international trade mission and fairs?**

	Percent	n
Less than 5 times	25.0	3
5-10 times	16.7	2
More than 10 times	8.3	1
None	50.0	6
<b>Total</b>	<b>100.0</b>	<b>12</b>

Source: SME Survey, Q10 (6 missing cases; 12 valid cases)

**Table 13: Major issues/challenges faced in by SMEs**

	Percent	n
Lack of funding	77.8	14
Technology	61.1	11
Skilled manpower	50.0	9
Competition from abroad	38.9	7
Lack of advisory services in domestic market	38.9	7
Lack of appropriate technology and skill to produce higher value products	33.3	6
Availability of raw materials	27.8	5

Source: SME Survey, Q11 (6 missing cases; 12 valid cases)

**Table 14: Firms seeking advice to address major issues/challenges**

	Percent	n
Yes	38.9	7
No	61.1	11
<b>Total</b>	<b>100.0</b>	<b>18</b>

Source: SME Survey, Q12

**Table 15: Areas/topics of advice sought from SMIDEC/SME counselor**

	Yes		No		Total	
	n	Percent	n	Percent	n	Percent
Lack of funding	7	100.0	-	-	7	100.0
Technology	2	28.6	1	14.3	3	42.9
Skilled manpower	2	28.6	2	28.6	4	57.1
Competition from abroad	2	28.6	1	14.3	3	42.9
Lack of appropriate technology and skill to produce higher value products	2	28.6	1	14.3	3	42.9
Lack of advisory services in domestic market	2	28.6	1	14.3	3	42.9
Availability of raw materials	1	14.3	2	28.6	3	42.9

Source: SME Survey, Q13 (7 valid cases)



**Table 16: Rating of the skills and knowledge of SME counselors when dealing with SMI issues and challenges? (1=Low to 5=High)**

	Rate (%)				
	1	2	3	4	5
Lack of funding	14.3	-	28.6	42.9	14.3
Technology	-	-	66.7	33.3	-
Skilled manpower	-	-	50.0	50.0	-
Competition from abroad	-	-	66.7	33.3	-
Lack of appropriate technology and skill to produce higher value products	-	33.3	33.3	33.3	-
Lack of advisory services in domestic market	-	33.3	33.3	33.3	-
Availability of raw materials	-	50.0	-	50.0	-

Source: SME Survey, Q14 (7 valid cases)

**Table 17: Whether firm would seek future advisory services from SMIDEC**

	Percent	n
Yes	100.0	18
<b>Total</b>	<b>100.0</b>	<b>18</b>

Source: SME Survey, Q15

**Table 18: Reasons for going to SMIDEC for future advisory services**

	Percent	n
SMIDEC helps in improve & expand SMEs	15.4	2
SMIDEC have facilities & expert	7.7	1
Support given by SMIDEC	61.5	8
Only know SMIDEC provide advisory recently	15.4	2

Source: SME Survey, Q15 (5 missing cases, 13 valid cases,)

**Table 19: Suggestions and comments that can be shared and utilised by SMIDEC in future project formulation and implementation**

Suggestion	Percent	n
Promote grants/financial support	3	23.1
Provide information/courses	3	23.1
Follow up visits	3	23.1
More support to <i>bumiputera</i> entrepreneur	2	15.4
Extension of the duration of corporate diagnosis	2	15.4
More support to village/micro entrepreneurs (not only focus on medium or rich entrepreneur)	2	15.4
Identify SMEs problems	1	7.7
Lesser bureaucracy in getting grant	1	7.7
Evaluation on results achieved & further improvement	1	7.7
Assist local SMEs to participate in government tenders	1	7.7

Source: SME Survey, Q15 (5 missing cases, 13 valid cases)

### ***SME Counselors Survey***

**Table 20: Distribution of Respondent by Agencies**

	<b>Percent</b>	<b>n</b>
SMIDEC	90.5	38
MPC	4.8	2
SME Bank	4.8	2
<b>Total</b>	<b>100.0</b>	<b>42</b>

*Source: SME Counselors Survey*

**Table 21: Highest Professional Qualification Obtained**

	<b>Percent</b>	<b>n</b>
Bachelors Degree	84.6	33
Chartered Accountant	2.6	1
Diploma	7.7	3
Masters/MBA	5.1	2
<b>Total</b>	<b>100.0</b>	<b>39</b>

*Source: SME Counselors Survey*

**Table 22: Distribution of Respondents by Designation**

	<b>Percent</b>	<b>n</b>
Manager	80.5	33
Assistant Manager	7.3	3
Consultant	4.9	2
Director	2.4	1
Engineer	2.4	1
State Director	2.4	1
<b>Total</b>	<b>100.0</b>	<b>41</b>

*Source: SME Counselors Survey (1 missing case)*

**Table 23: Whether the training program and approach of the project are appropriate to address the problems/challenges and needs of SMEs and to provide preliminary advice to SMEs**

	Percent	Frequency
Yes	92.9	39
No	7.1	3
<b>Total</b>	<b>100.0</b>	<b>42</b>

Source: SME Counselors Survey, Q1

**Table 24: Reasons for appropriateness to address the problems/challenges and needs of SMEs**

	Percent	n
Able to give in-depth advise to SMEs	38.1	8
Able to diagnosis SMEs problem & identify SWOT of SME	28.6	6
Gain new experience	9.5	2
All details are included	9.5	2
Identifying potential/problem of SME	14.3	3
<b>Total</b>	<b>100.0</b>	<b>21</b>

Source: SME Counselors Survey, Q1 (18 missing cases, 21 valid cases)

**Table 25: Reasons for inappropriateness to address the problems/challenges and needs of SMEs**

	Percent	n
Unable to provide in-depth advise to SME, the training only addressed the general problem and challenge	66.7	2
The training does not practical to be implement in current job	33.3	1
<b>Total</b>	<b>100.0</b>	<b>3</b>

Source: SME Counselors Survey, Q1 (3 valid cases)

**Table 26: Please rate the usefulness of the training during the Project to your current job by using the rating scales. (1=Not at all useful to 5=Very useful)**

	Rate				
	1	2	3	4	5
Basic knowledge on SME counseling	-	4.8	19.0	31.0	45.2
Financial management and accounting	-	4.9	17.1	31.7	46.3
Tax laws and tax management	2.4	7.3	31.7	36.6	22.0
Production management	-	4.8	11.9	26.2	57.1
Marketing	-	7.1	14.3	38.1	40.5
Corporate diagnosis	-	4.8	9.5	23.8	61.9

Source: SME Counselors Survey, Q2

**Table 27: Reasons for Usefulness of the Training**

	Percent	n
The content & material are important & useful	92.3	12
Manage to adopt & adapt into current job	7.7	1
Good experience for future career	15.4	2

Source: SME Counselors Survey, Q2 (13 valid cases)

**Table 28: Reasons for non-usefulness of the Training**

	Percent	n
Current job do not practice the lesson learnt	75.0	3
All are generally basics	25.0	1

Source: SME Counselors Survey, Q2 (4 valid cases)

**Table 29: Whether the project can achieve the Project Purpose by the time of project completion in mid 2009**

	Percent	n
Yes	90.2	37
No	9.8	4
<b>Total</b>	<b>100.0</b>	<b>41</b>

Source: SME Counselors Survey, Q3 (1 missing cases)

**Table 30: Reasons why the project can achieve the Project Purpose by the time of Project Completion in mid 2009**

	Percent	n
Add value to BAS of SMIDEC	66.7	10
Continuity for this training	13.3	2
Provided course is complete for business	6.7	1
Can be internal source instead of outsource	6.7	1
SMIDEC has resources & right strategic	6.7	1
<b>Total</b>	<b>100.0</b>	<b>15</b>

Source: SME Counselors Survey, Q3 (15 valid cases)

**Table 31: Reasons why the project cannot achieve the Project Purpose by the time of project completion in mid 2009?**

	Percent	n
Syllabus was too wide, difficult to become an expert in all aspect	33.3	1
Do not really practice the training from the program in current job	33.3	1
The management is not ready to accept changes	33.3	1
<b>Total</b>	<b>100.0</b>	<b>3</b>

Source: SME Counselors Survey, Q3 (3 valid cases)

**Table 32: Whether there are any improvement in analysis skills and knowledge on SME as a result of the project**

	Percent	n
Yes	95.1	39
No	4.9	2
<b>Total</b>	<b>100.0</b>	<b>41</b>

Source: SME Counselors Survey, Q4 (1 missing cases)

**Table 33: Validity of the following statements**

Through this training program, you can effectively support SMEs in...  
(1=Do not agree 5=Fully agree)

	Rate				
	1	2	3	4	5
General SME counseling	-	2.5	20.0	37.5	40.0
Management	5.0	2.5	22.5	40.0	30.0
Marketing	2.5	2.5	25.0	40.0	30.0
Financial support services	2.5	-	25.0	45.0	27.5

Source: SME Counselors Survey, Q5 (40 valid cases)

**Table 34: Self-rating as an SME counselor. (1= unsatisfactory 5 = excellent)**

	Percent	n
1	-	-
2	4.8	2
3	54.8	23
4	33.3	14
5	7.1	3
<b>Total</b>	<b>100.0</b>	<b>42</b>

Source: SME Counselors Survey, Q6

**Table 35: Other criteria/skills required to be a proficient/effective SME counsellor?**

	Percent	n
Communication/negotiation	50.0	14
Focus in corporate diagnosis	14.3	4
Informative & update	7.1	2
Collection & analysis of data	7.1	2
Technical knowledge	7.1	2
Other language	10.7	3
Attitude	7.1	2
Customer service	7.1	2
Continuity training	3.6	1
Knowledge on business challenge & trend	3.6	1

Source: SME Counselors Survey, Q7 (28 valid cases)

**Table 36: Changes of counselling session handled before & after training**

	Percent	n
Decrease more than 50%	5.9	2
Decrease 10% - 50%	-	-
No change	14.7	5
Increase 10% - 50%	29.4	10
Increase 60% - 100%	35.3	12
Increase more than 100%	14.7	5
<b>Total</b>	<b>100.0</b>	<b>34</b>

Source: SME Counselors Survey, Q8 (8 missing cases)

**Table 37: Other knowledge or training to enhance skills in the future**

	Percent	n
Technology/technical training	26.7	8
Communication/negotiation skills	23.3	8
Production	23.3	7
Finance	13.3	4
Organisational management	10.0	3
Advisory skill	10.0	3
Marketing	10.0	3
Focus in corporate diagnosis	6.7	2
Business operation	6.7	2
Presentation	3.3	1
Other language	3.3	2
Grant processing	3.3	1
Self confidence	3.3	1

Source: SME Counselors Survey, Q9 (32 valid cases)



**Table 38: Whether all inputs were effective and attributable to realise the outputs**

		Percent	n
Number of Japanese experts	Yes	92.7	38
	No	7.3	3
	<b>Total</b>	<b>100.0</b>	<b>41</b>
Training venue	Yes	92.7	38
	No	7.3	3
	<b>Total</b>	<b>100.0</b>	<b>41</b>
Training materials	Yes	90.5	38
	No	9.5	4
	<b>Total</b>	<b>100.0</b>	<b>42</b>

Source: SME Counselors Survey, Q10

**Table 39: Factors that inhibit or contribute to the efficiency of project implementation process**

	Percent	n
Good commitment of trainers, participants & SMEs	28.6	8
Knowledge transferred	21.4	6
Prefer experts that proficient in English	14.3	4
Practical - Corp diagnosis	14.3	4
Time constraint	10.7	3
Teamwork	10.7	3
Proper guidance & preparation	10.7	3
Participants attitude	7.1	2
Good communication	3.6	1
More focus & with clear objective	3.6	1

Source: SME Counselors Survey, Q11 (29 valid cases)

**Table 40: Preliminary impacts of the project to the development results**

	Percent	n
SMEs are better understand & awareness	30.0	9
Not yet know	13.3	4
Participants are better equipped with knowledge & increase of level of confidence	13.3	4
Improvement in the advisory service for SMEs	10.0	3
Productivity of SMEs increased	10.0	3
Less /no impact	3.3	1
No comment	20.0	6

Source: SME Counselors Survey, Q12 (30 valid cases)

**Table 41: Whether the overall goal been achieved (or is it going to be achieved)**

	Percent	n
Yes	95.0	38
No	5.0	2
<b>Total</b>	<b>100.0</b>	<b>40</b>

Source: SME Counselors Survey, Q13 (2 missing cases)

**Table 42: Impediments faced by SMIDEC to maintain the project outcomes**

	Percent	n
Budget/funding	32.1	9
Time constraint	28.6	8
Commitment between SME & SMIDEC	14.3	4
Lack of skills	10.7	3
Human resource (Insufficient staff to undertake current workload)	7.1	2
Not focus & not follow the objective	7.1	2
Commitment between officers & management	7.1	2
Focus on industry with high potential	3.6	1
Resignation of officer after training	3.6	1
Existing adhoc task	3.6	1
Business planning & forecasting	3.6	1

Source: SME Counselors Survey, Q14 (29 valid cases)

**Table 43: Factors that contribute/inhibit the sustainability of the project outcomes such as appropriateness of the project planning and the technology transferred, and external factors**

	Percent	n
Commitment between SMEs	25.0	5
Latest technology transfer	20.0	4
Awareness & attitude	25.0	5
Management of the company	15.0	3
Continuous training of officers	15.0	3
Skills	10.0	2
More exposure on the field visit	10.0	2
Financial assistance	5.0	1
Focus & clear objective	5.0	1

Source: SME Counselors Survey, Q15 i) (20 valid cases)

**Table 44: Whether there any technology transfer or skills issues**

	Percent	n
Yes	62.2	23
No	37.8	14
<b>Total</b>	<b>100.0</b>	<b>37</b>

Source: SME Counselors Survey, Q15 ii)a (5 missing cases)

**Table 45: Whether there any institutional challenges**

	Percent	n
Yes	56.8	21
No	43.2	16
<b>Total</b>	<b>100.0</b>	<b>37</b>

Source: SME Counselors Survey, Q15 ii) b (5 missing cases)

**Table 46: Suggestions and comments that can be shared and utilised by JICA in the future project formulation and implementation**

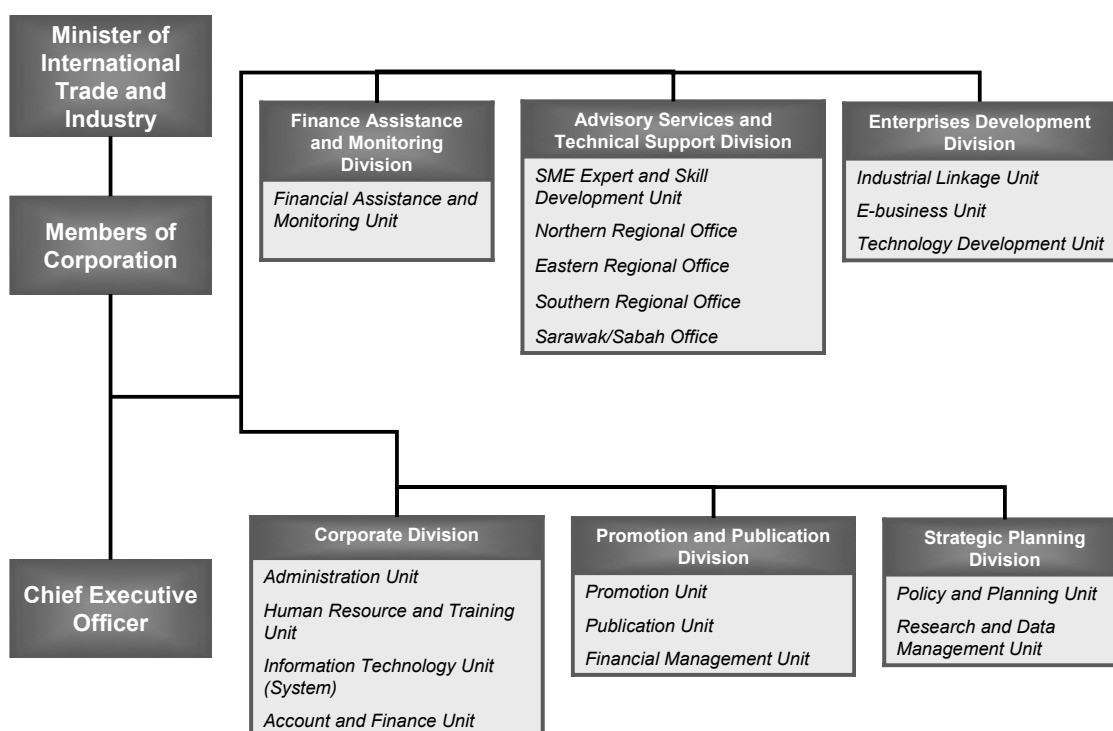
	Percent	n
Increase & longer duration corporate diagnosis	26.7	8
Language barriers	16.7	5
Progress monitoring	13.3	4
Specialise certain skills	10.0	3
Should undergo continuously	10.0	3
More practical	10.0	3
Others program (Communication skill)	10.0	3
More case study or virtual example during courses	6.7	2
Others**	6.7	2
Extend period of training	6.7	2
Follow the current issues & demand	6.7	2
Original in technical material, so that it won't bias from original term	3.3	1
Develop an unit after program to resolve the issues of SMEs	3.3	1
Mentoring with local or international coaches with enormous coaching experience	3.3	1
Undergo an exam oriented module to enable to be a certified coach	3.3	1

*\*\*Others: The session should be more interactive*

*Source: SME Counselors Survey, Q16 (30 valid cases)*

## ANNEX 8: ORGANISATION CHART

Figure 1: SMIDEC Organisation Chart 2005



Source: SMIDEC Annual Report 2005

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graph TD
    Minister[Minister of International Trade and Industry] --> Members[Members of Corporation]
    Minister --> CEO[Chief Executive Officer]
    Minister --> DCEO[Deputy Chief Executive Officer]
    Members --> CEO
    Members --> DCEO
    CEO --> Financing[Financing and Monitoring Division]
    CEO --> Enterprises[Enterprises Development and Entrepreneurship Division]
    CEO --> Management[Management Service Division]
    CEO --> Audit[Unit Audit Unit  
Legal Unit]
    DCEO --> Corporate[Corporate Communication Division]
    DCEO --> Information[Information Management and Statistic Division]
    DCEO --> Strategic[Strategic Planning Division]
    DCEO --> Regional[Northern Regional Office  
Eastern Regional Office  
Southern Regional Office  
Sarawak Office  
Sabah Office]
  
```

**Minister of International Trade and Industry**

**Members of Corporation**

**Chief Executive Officer**

**Deputy Chief Executive Officer**

**Financing and Monitoring Division**

- Processing Unit
- Monitoring Unit

**Enterprises Development and Entrepreneurship Division**

- Technology & Innovation Development Unit
- Business Development Unit
- Competency & Entrepreneurship Development Unit

**Management Service Division**

- Human Resource & Organisation Planning Unit
- Administration & Logistics Services Unit
- Financial Management & Accounts Unit

**Unit Audit Unit**

**Legal Unit**

**Corporate Communication Division**

- Public Relations Unit
- Promotion Unit
- Customer Services Unit
- Publication Unit
- Resource Centre
- Secretariat of the Corporation

**Information Management and Statistic Division**

- Application Development & Systems Management Unit
- Statistic & Information Management Unit
- Infrastructure & Network Security Unit

**Strategic Planning Division**

- Planning & Program Development Unit
- International Cooperation Unit

**Northern Regional Office**

**Eastern Regional Office**

**Southern Regional Office**

**Sarawak Office**

**Sabah Office**

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