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Korea's Technical Assistance for Better Governance: From Capacity to Competency Building

Jin Park, KDI School¹
Jin-Wook Choi, Korea University
Il-Hyun Jo, Ewha Womans University
M. Jae Moon, Yonsei University
Yong Shik Kim, Korea Productivity Center

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1. Introduction

While debates on whether international aid has fostered economic development and living conditions of developing countries have not ended,² there is a growing tendency that emphasizes technical assistance (TA) —knowledge transfer for economic development (King, 2004; King and McGrath, 2000; King and McGrath, 2004). However, Korea has not yet substantially engaged in TA in an international realm. Since the majority of aid in Korea has been allocated to provision of infrastructure and dispatch of volunteering activities to recipient countries, TA accounts for a relatively small portion, 7% of the total ODA.

Measuring the impact of TA programs is much more difficult than the other types of ODA, so TA should be managed and conducted more carefully to maximize its effectiveness. Donor countries recently underscore the significance of monitoring and evaluation of aid programs as reflected in the notion of “managing for results” in the Paris Declaration. In addition to monitoring and evaluation mechanisms, it is necessary to set clear guidelines to make TA more effective. Despite the growing attention to TA, it seems that the general and comprehensive framework of strategic TA has not yet been firmly established.

Among many fields of TA, strengthening capacity for better public governance is gaining much highlight in recent years in Korea. In a developing country where there is only a minimum existence of a private sector, any development drive will not be successful without a competent government that makes a right decision at a right time. TA on the public governance is, however, relatively more difficult to be successful than other types of TA because its success depends on the will of political leaders and bureaucrats of the recipient country which is exogenous variable for the donor. On top of that, TA on better governance can sometimes include suggestions that may not be welcomed by the bureaucrats of the recipient country.

Therefore, TA on governance should have not only a locally applicable recommendation in the consulting paper but a strategically-designed process that can realize the intended changes. For that purpose, the donor should consider both the recipient country’s willingness to accept the recommendation and her capacity to implement it.³ How should we design TA programs to guarantee their maximum effectiveness? The goal of this paper is to provide such guideline for TA in the area of public governance.

This paper uses both inductive and deductive reasoning. For an inductive reasoning, this paper reviews Korea’s TA for developing countries to identify problems and rooms for improvement in Section 2. For deduction, this paper learns from the field of education because TA is similar to teaching and learning process, which will be explained in detailed way in Section 3. Another research method of this paper is a case study on the “Capacity Building Program for Indonesian government”, which will be covered by Section 4. The program, lasted a relatively long 3 years, was designed in a different way from previous cases and therefore carries many interesting implications.

² All the components of TA should be designed, implemented, and evaluated to best serve the impact or the ultimate goal (Banathy, 1996), which is the betterment of people’s life.

³ Korea began to consider the significance of 'policy coherence for development' where the harmonization between experiences, interests, and policy context of donor country and those of recipient country (Lee and Kim, 2009).

Based on the result of the prior sections, Section 5 will propose some guidelines for TA in enhancing public governance of developing countries. Those guidelines, however, will be applicable in other fields of TA as well. For a conclusion, Section 6 will suggest some of models for international collaboration between donors.

2. Korea's TA Programs on Governance

Korea is the second country among OECD members that switched her status from an ODA recipient to a donor country after Japan. Korea was an ODA recipient for 65 years since her independence from Japan but became a member of Development Assistance Committee (DAC) of OECD in 2010. In particular, Korea has promoted its commitment to resolving global problems through active ODA programs though still at the early stage.⁴

During past years,⁵ the Korean government has expanded not only its ODA budget but also diversified and systemized its programs. Recently, the Korean government began to pay increasing attention to capacity building programs particularly through supporting administrative reform initiatives and improving administrative systems. In fact, it has been considered that the development of healthy and effective administrative system is a great foundation and often precondition for social and economic development (Jun et. al. 2007). Despite its increasing importance, Korea's TA has much room for improvement both quantitatively and qualitatively.

2.1 Recent Development

The volume and its share

The Korean government is in a unique position to share its development and policy experiences with developing countries. Jun and et. al. (2007) particularly highlighted eight strategic ODA areas that the Korean government should focus on, which include education, public health, administrative institutions, community development, energy, disaster management, and environmental management. Among the eight selected areas, the establishment of administrative institutions has been most important as the following table shows. It suggests that supporting and establishing effective administrative system in

⁴ In terms of ODA in proportion to Gross National Income (GNI), Sweden, Norway, Luxemburg budgeted more than 1% while US, UK, and Germany offered 0.2%, 0.52%, and 0.35%, respectively. Korea offers about 0.1% which placed it at the 23rd while the average of DAC member countries is about 0.49%. As an emerging donor, Korea has increased its ODA budget and played an increasingly important role in the global community. Korea spent about 0.455 billion USD in 2006 and increase to 0.812 billion USD in 2009, which is about 0.1 percent of GNI but aims to reach 0.7 percent, UN's suggested guideline, by 2015.

⁵ Surprisingly, Korean government began its first TA program in 1965 when the government developed training programs for developing countries with its own budget after it conducted contacted training programs with USAID funding in 1963. Korea began to send its experts for its own ODA programs, provide ODA to developing countries, which made Korea be characterized both as recipient and donor country simultaneously. Korea also established Economic Development Cooperation Fund (EDCF) in 1987 to provide loans to developing countries as part of ODA programs. It eventually established Korea International Cooperation Agency (KOICA) in 1991. Being a member of OECD-DAC, Korea also established the Basic Legal Framework for ODA in 2010.

developing countries has been one of primary areas that Korea has focused in her TA programs.

<Table 1: KOICA TA Budget by Field (1991~2010)>

Amount unit: million KRW

	Edu.	Public Health	Adm Ins.	Com Dev	ICT	Ind Energy	Env. & Others	Emergency	Un-class	Total
Amount	415,493	453,526	416,405	198,143	268,232	215,968	511,577	150,389	86,126	2,715,859
%	15.3	16.7	15.3	7.3	9.9	8.0	18.8	5.5	3.2	100

Source: <http://www.koica.go.kr> KOICA Statistics 2010

Edu.: Education, Adm Ins.: administrative institutions, ComDev: community development, ICT: information and communication technology, Indu Energy: Industry and Energy, Env.: environment, Un-class: Unclassified (administrative cost and others)

However, the ratio of TA on governance⁶ has been fluctuated as the following table shows.

<Table 2: TA Budget for Administrative Institutions and Capacity Building Programs>

Amount unit: million KRW

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
amount	7,247	7,372	21,986	40,717	54,161	27,331	38,478	47,262	43,612	38,215	32,313
%	14.1%	10.6%	28.3%	27.5%	26.6%	12.7%	20.8%	18.8%	14.3%	12.4%	6.2%

Source: KOICA Statistics (2010)

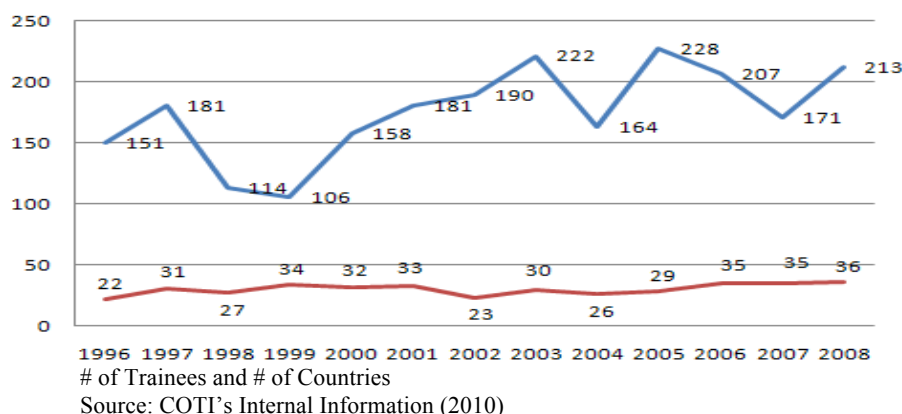
Training Programs by Provider

Many government agencies develop their own TA programs as part of international collaboration activities. In particular, training and research institutions such as the Central Official Training Institute (COTI), Local Government Officials Development Institute (LOGODI), KDI and KDI School are active in TA programs under the sponsorship of either Ministry of Strategy and Finance (MOSF) and the Ministry of Foreign Affairs and Trade (MOFAT).

COTI has developed its training programs to share Korean economic development experiences and enhance competencies of government officials since 1984. COTI has three major financial sources of training programs: its own self-funded programs, KOICA-funded programs, and programs funded by international organization such as ASEAN government official training programs. COTI has trained 2,236 government officials of developing countries between 1996 and 2008. As summarized in the figure, both the number of recipient countries and the total number of trainees are in its steady rising trend.

⁶ We consider the category of 'administrative institutions' as TA on governance. It should be noted that the ODA classification by policy areas (public health, administrative institutions, environment, etc.) is different from the classification by ODA nature (project, training, R&D, expert or volunteer dispatch, etc.) Unfortunately, the statistics on the two classifications are independently provided so that that of TA ODA is not clearly calculated. TA ODA seems to be associated with the category of 'administrative institutions' and the category of 'non projects (training, expert dispatch, etc.).

<Figure 1: COTI's Training Programs for Government Officials >



LOGODI has also actively operated training programs especially for 'local' government officials in developing countries. It trained 1,590 foreign government officials from 81 countries between 1996 and 2010. Just like COTI, LOGODI also has three sources of funding their training programs. The major fields are of course local development, New Village Movement, local governance, local autonomy, electronic government, HRD.

<Table 3: Training Programs for Government Officials by LOGODI and KDI(S)>

	Year	No. of Prog.	Ave. # of Trainees	Total	Year	No. of Prog.	Ave. # of Trainees	Total
LOGODI	1996	1	15.0	15	2003	6	16.0	90
	1997	1	20.0	20	2004	8	14.3	120
	1998	1	20.0	20	2005	10	15.2	150
	1999	1	14.0	14	2006	10	16.8	150
	2000	3	16.3	45	2007	12	17.0	180
	2001	4	16.8	60	2008	14	19.9	210
	2002	5	16.4	75	2009	11	19.5	165
KDI KDIS	2005	43	26.4	1137.0	2008	35	30.1	925.5
	2006	42	35.2	1110.6	2009	46	31.5	1216.3
	2007	34	23.4	899.0				

Source: LOGODI's Internal Information (2010) and KDI's Internal Information (2010)

Korean Development Institute (KDI) and KDI School have also developed various training and consulting programs. KDI's Center for International Development conducts consulting programs called Knowledge Sharing Programs (KSP). KDI School's Development Research and Learning Network is working on short-term training, impact analysis, GDLN (Global Development Learning Network), and research on Korea's development experience.

TA on administrative institution or capacity building is a major area in inbound training programs of KOICA, which constitutes 35.1% (93 programs) of total inbound programs. Other areas are industry and energy (19.2%) and rural development (8.3%). Between 1991

and 2008, there were 1,265 inbound training programs on developing governance capacity. In addition to inbound training programs, KOICA has recently begun more extensive project-based consultation programs for administrative capacity building as the following table shows. The Indonesian case will be analyzed in detail in section 4.

<Table 4: Examples of Consultation Programs>

Country	Content
East Timor	Establishment of Postal Service System
Bangladesh	Capacity Building Program for Senior Government Officials
Sri Lanka	Local Government Capacity Building for Emergency Management
Indonesia	Capacity Building Program (1 st and 2 nd Phase)
Cambodia	Land Management Basic Plan Support Program
Colombia	Action Plan Support Program on Informatization

Source: Compiled from KOICA Homepage

2. 2 Issues and Problems

This section will briefly summarize major characteristics of current Korean TA programs are briefly examined and some suggestions are offered below.

First, Korea's TA is only a small fraction of all ODA budget. Currently, dominant 63.6% of the KOICA ODA budget is used for construction of schools, hospitals, electronic system, etc. Dispatch of volunteers follows with 12% (KOICA, 2011). The budget for training comes the third with only 7%. Considering the growing need of TA, this low ratio should be enhanced.

Second, TA heavily relies on inbound training programs. The budget for training programs is 7% of the KOICA ODA budget. Only 0.3% of the KOICA ODA budget was allocated for expert dispatch. KOICA had 82 inbound training programs in 1991 and increased them to 513 programs in 2008. While the inbound training programs provide the government officials of developing countries with a chance to see Korea, they tend to be one time quick learning program rather than sustainable capacity building programs. Since most of inbound training programs are also lecture-based sessions rather than activity-based, trainees cannot easily internalize acquired policy knowledge. To deal with these shortcomings of current short-term inbound training programs, Korean government needs to develop more on-site consultation projects strategically combined training programs. This allows trainees to apply what they learned into practice and to build their own administrative capacity.

Third, TA is generally short-term based, rather than long-term. Many inbound training programs are often less than two-week long. These programs offer government officials of developing countries a good opportunity to learn basics of targeted areas, but they are not enough to cover more specialized subjects. A common feedback from the first time trainees is that they find the training program very useful but want to have more advanced level trainings in another opportunity. Along with short-term training programs, Korean government should develop more diverse programs in terms of training period of time (one-month long, three month-long, half year and one-year. long-term training programs) depending on the nature of targeted training areas and training objectives. In case of

consultation programs, Korea also needs to introduce multi-year projects rather than one-year ones since the impact of one-year projects is often very limited and not sustainable in nature.

Fourth, most of TAs are currently designed and conducted by external contractors. In fact, KOICA heavily relies on external experts and collaborative partners even in the roles such as a coordinator, fund allocator, monitor, and evaluator due to lack of human resources and expertise. While KOICA should continue to build good collaborative relationship with external experts and partnering institutions, KOICA should also make efforts to build its own capacity to effectively manage increasingly more complex, more diverse, and bigger TA programs.

Fifth, lack of regional experts produces knowledge transfer without local applicability. TA cannot be successful without good understanding of political, economic, and social context of recipient countries. The lack of local applicability seriously diminishes the effectiveness of TA. Unfortunately, there are not many regional experts in Korea because there has been little demand for them.

Six, unlike the other types of ODA which is generally skewed towards Asia,⁷ TA maintains a relative balance between regions. Out of 31,709,000 USD spent for training programs in 2010, 41% of it was spent for the training programs for the government officials from Asian countries followed by those of African countries with 38% share. (KOICA, 2011). This balance should be maintained.

Seven, policy on TA is lacking in coordination. Along with rapid growth of ODA budgets and programs in Korea, there have been some overlapped programs among different agencies. It has been argued that the lack of coordination among different agencies is critical to the efficiency of ODA programs. To resolve these problems, the Korean government has established an ODA coordination unit at the Prime Minister's Office. But the role of the unit is still preliminary and self-interested behaviors among agencies and departments still remain. In order to enhance the level of efficiency as well as effectiveness, the Korean government needs to continue to deal with somehow pathological budget-maximizing behaviors of agencies and to coordinate ODA programs initiated by different agencies.

3. Lessons from Education Theory

3.1 Theoretical Framework: From Capacity to Competency

Traditional TA programs have focused on the capacity building of developing countries. TA has many resemblances with teaching and learning process. Just like effective education is attributable both to the provider and consumer of the knowledge, the low effectiveness of TA is caused both by the donor and the recipient.

TA has aimed at strengthening the capacity of a recipient country by transferring necessary knowledge and skills which should be phronesis, practical wisdom (Polanyi, 1966). For the

⁷ The 54.5% of KOICA program budget was allocated to 32 Asian countries while 15% was allocated to 47 African countries in 2010 (KOICA, 2011).

development of capacity, discovery learning which is a process of making meaning and implication from direct experience is vital instructional method (Svoboda, 1977). The discovery learning is about creating an experience where learning can be facilitated.

And while it is the learner's experience that is most important to the learning process, it is also important not to forget the wealth of experience that a good facilitator also brings to the situation (Bell & Kozlowski, 2007). An effective experiential facilitator is one who is passionate about his or her work and is able to immerse participants totally in the learning situation, allowing them to gain new knowledge from their peers and the environment created. These facilitators stimulate the imagination, keeping participants hooked on the experience. In a typical TA situation, the role of facilitators is taken by the experts or consultants. Thus, consultants should be good facilitators as well as knowledgeable experts.

Now, the question is how to design the collaborative efforts of both the recipient and the donor to maximize the impact of the TA. Quality of any human endeavor is subject to the performers' capacity and motivation (Noe, 2010). The recipient is generally lacking in not only a capacity but also motivation to implement the result of the program. As a result, the output of TA is often thrown into the cabinet right after the final presentation conference. The donor also does not have motivation to provide an effective TA as well as the capacity to offer a knowledge that has local relevance since it values only the act of the knowledge provision, not the effectiveness of it. All the possible explanations for either success or failure in TA, therefore, boil down to motivation and capacity of both the recipient and the donor.

The capacity is composed of knowledge and skills, and serves as a potential for performance (Rothwell, Hohne, & King, 2007). Motivation on the other hand orients the direction of the capacity. For example, individuals who have a capacity may or may not exert efforts toward desirable way (Keller, 2010). Therefore, capability (knowledge and skills) is a necessary but not sufficient condition without motivation. Without motivation, knowledge and skills in a person will not make any changes nor deliver services to people (Keller, 2010). In this regard, competency, which is defined as a combination of capacity and 'motivation' should be the principal target of TA. A competency is what can be "observed in job situation" (Rothwell, 2000), and emphasize application of capacity to a reality.

The donor usually has a weak motivation to provide TA implementable by the recipient as well. Depending on the donor's motivation, knowledge and skills accumulated in a recipient through discovery learning processes and facilitations may or may not be used for a meaningful way.

Antecedents of motivation are many, including internal characteristics of self-efficacy, locus of control, cognitive resonance, and external reinforcer such as incentives (Driscoll, 2004). For direct and immediate effect to motivations of civil servants, development of incentive system is widely used. Opportunity of promotion, present of punishment, provision of financial award, public recognition by the organization could be used for reform-oriented incentives to the civil servants. However, abuse of external motivators is known to bring detrimental effect on the creativity of individuals and dynamism in organizational culture in the long run. It is the responsibility of designers to discern when to use which type of motivational systems. Any competency-oriented TA program should be designed to address the issue of motivation *and* capacity of both the recipient and the donor.

3.2 Environmental Factors: Transfer-Friendly Work Environment

Transfer of training, a key concept in adult learning theories, refers to trainees' effective and continuous application of what they learned in training (knowledge, skills, behaviors, cognitive strategies) to their jobs (Noe, 2010, p.187). The end goals of training and education are not achieved unless transfer takes place (Subedi, 2004), and the same with TA. Despite the importance of transfer of training, however, the most commonly cited estimate is that only 10% of learning transfers into job performance, and reports from the field suggest that a substantial part of organizations' investment in training is wasted due to poor learning transfer.

Theory of learning transfer constructed by researchers illustrates the multi-dimensional nature of transfer mechanism (e.g., Baldwin & Ford, 1988; Noe, 1986). It indicates that the transfer of learning is a function of individuals' competency, work conditions, and organizational support. Transfer of training (or lack of it) is a complex process and depends upon the intent or motivation of the learner (trainee characteristics), the workplace environment including supervisory support (organizational environment and culture), and the instructional design as well as delivery features (job relevance) of the training program (Subedi, 2004).

Among those factors, workplace environment is known as the strongest variable that influences individuals' ability and opportunity to transfer. Workplace environment or organizational support includes manager's and peer's acceptance of the new knowledge and skills earned from training and further reinforcement for application opportunity of them. In government organizations, compared to private companies, the relative influence of this variable is much greater because of many strict regulations that prevent changes in conventional routines.

Transfer of training has also been classified in terms of 'near transfer' and 'far transfer'. The near transfer of skills and knowledge refers to the replication of the previously acquired knowledge and skills in all identical situations (Thorndike, 2001). This theory of transfer is based on the belief that previous learning facilitates new learning only to the extent that the new learning task contains elements identical to those in the previous task (Perkins & Salomon, 1996). Far transfer of training, on the other hand, refers to learning new skills or performing new tasks in situations that differ significantly from the situations of original learning. Training conditions, which focus on far transfer, require learners to adapt the acquired knowledge and skills as guidelines to perform or learn in changed situations or new environments (Misko, 1999). Thus far transfer goes beyond repetitive application of learned behavior and involves cognition and analogy to adapt to new challenges. The far transfer is more important than near transfer from the perspectives of TA where knowledge and skills of the donors should be transplanted in the different situations of the recipients.

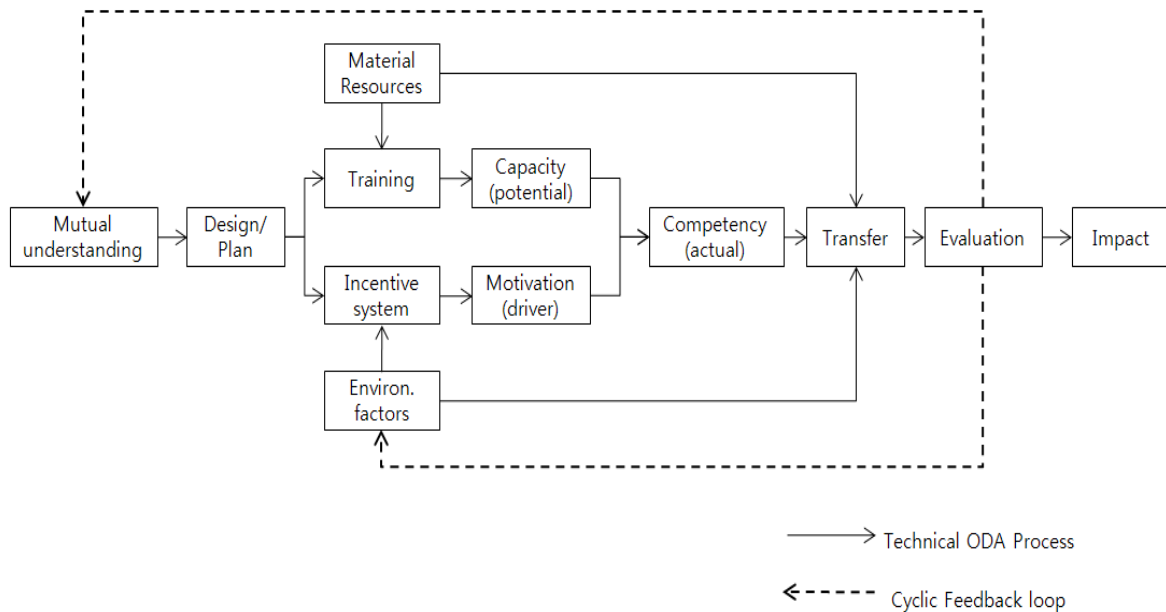
Another environmental factor that is related to governance reform is alignment of what they learned in the workplace context. Researchers have contended that the most significant gains in transfer will come when learning is more tightly integrated into the process and reward systems that already matter in the organization (e.g., Noe, 2010; Philips, 1999). A recommendation by a donor from different work and cultural context is implementable to recipient's workplace only when it considers the local process and reward system.

Culture of competitions among colleagues, evaluations for and feedbacks to the progress efforts and individual performance, and participation of decision-making leaders to these

continuous efforts that surround individual civil servants will serve as fertile environments that facilitate the whole TA processes. These Environmental factors work as rich soil and precipitations for the successful transplant of imported knowledge. By putting the components together systematically, the total impact of the TA activities should be greatly enhanced.

In conclusion, a successful TA should include the careful selection of the field based on the needs of the recipient, design of training programs aiming for the development of the capability (or cognitive potentials) and incentive systems for the motivation of individuals, and evaluation and feedback of the entire efforts including transfer-friendly environment factors. This series of activities depicted as the Figure 2 below advances cyclically so that this ecological system evolves and grows in the long run.

<Figure 2: A Systems Approach to Impact-Oriented TA>



4. Case Study: Capacity Building Program for Indonesian Government

This KOICA (Korea International Cooperation Agency) program was designed to support Indonesia’s bureaucracy reform through training and consultation. The first phase of the program lasted July 2007 ~ July 2008, and the second phase program was launched in August 2009 with two year duration, exceptional to one year convention. The second phase was assigned to the same experts led by Korea Productivity Center (KPC). Committed to maximize the impact of the program, the re-grouped consultants planned this 2-year program in a more strategic way. This program is differentiated in that it emphasized the motivation of both the recipient country and the experts, and that both providing motivation and capacity building for the recipient is conducted in a tailor-made way for 12 participating Indonesian organizations. Therefore, the program in this section refers to the second phase one unless

specified. The following table epitomizes the success factors of the program which will be explained in this section.

<Table 5: Summary of Success Factors >

	Strengthen Motivation	Build Capacity
Recipient: Indonesia	<ul style="list-style-type: none"> -Monitoring and evaluation on the recipient's participation -Provide incentives for the evaluation result -Tailored target-setting for different level of organizational potential -Joint efforts with the recipient country's reform driver (MENPAN) -Enhance the awareness of each Ministry by inviting the high rankers -Presidential agreement 	<ul style="list-style-type: none"> -Tailored action plan formulation by each organization -Tailored training and consultation for each stage of action plan
Experts: Korea	<ul style="list-style-type: none"> -Formal evaluation by KOICA and peer pressure among team members -Accountability and sense of program ownership of the experts -Possibility for publication as a result of the consultation -Forced initial HR investment of experts on Indonesian governance -Relatively long duration of the program 	<ul style="list-style-type: none"> -Right selection of fields of expertise and corresponding experts -Hire a staff working in the partner organization, MENPAN

4.1 Strategies for Recipient

Tailor-made Capacity building

Building recipient country's capacity is of course the imminent objective of any TA. Unlike the previous programs, however, capacity building was designed to be completely tailor-made to each organization. First, the Korean experts adopted learning-by-doing approach, in which each participating organization of Indonesia was asked to select around 20 reform agenda and to formulate their action plans based on 8 modules shown in the appendix during the first year of the program. These action plans were major target and material of all the training and consultation throughout the program. As the following table 6 shows, two rounds of invited training in Korea and 6 consultations were designed to help formulate, implement, and evaluate action plans. Through this learning-by-doing approach, the experts tried to strengthen each organization's overall capacity for reform itself, and to develop organization-specific reform plans not just general ones.

<Table 6: Schedule of the 2nd phase Program>

Year	when	Training in Korea	Consultation in Indonesia
1 st year	Fall 2009	<ul style="list-style-type: none"> <u>How to find reform agenda</u> - Problems in Indonesian gov 	

		- Korea's best practice	
	January 2010		Identify reform agenda How to formulate action plan
	May		Finalize reform agenda Pre-assessment on the action plans
	July		Evaluation of action plans Selection of 5 better performers
2 nd year	Fall	<u>How to implement the plan</u> - How to make consensus - How to overcome obstacles	
	January 2011		Progress check for implementation Identify obstacles and solutions
	April		Pre-assessment on the 5 better performers Select candidate best practice in each org. Ways to improve the best practice
	July		Final evaluation: organization level and best practice level

Second, the training and consultation was very much tailor-made to each stage. As table 6 shows, the training of the first year aims to selecting the reform agenda of each organization whereas the one in the second year focuses on how to implement the action plan. Six rounds of consultation in Indonesia were also very much tailor-made because they were targeting the action plans that each organization had formulated. During the first year, the goal of the consultation was to assist the Indonesian organizations to select the reform agenda and to formulate action plan for each agenda. In the second year, however, the focus of the consultation was implementation of the plan, and creation of best practice.

Motivation for active participation

Providing a tailor-made training and consultation is worthless unless it is actively utilized by the recipient. The program is designed to encourage recipients' motivation to actively participate in the program and implement the consultation provided by the experts.

First, monitoring and evaluation on the recipient's participation and consequential reward was an integral part of the program. Twelve participating organizations were evaluated twice. The first evaluation was about the selection of the right reform agenda and their action plans, whereas the second one was on the implementation of the action plan. Based on the evaluation, a consequential reward was provided as the following table shows.⁸

<Table 7: Comparison of Two evaluations>

⁸ The reward for the final evaluation on implementation was only a publicity which could be enjoyed only by the best innovator among 12 organizations. The eagerness and consequent cooperation by each organization was seriously dwindled at the final evaluation on implementation in 2011 compared to the first evaluation in 2010. The reduced energy was even more noticeable among 7 organizations which had no shot for the best innovator. The expert team should have prepared a more compelling reward such as wrap-up training session in Korea for those who have shown efforts till the end of the program.

	First evaluation July 2010	Second evaluation July 2011
What to evaluate	Action plans for each reform agenda	Implementation of action plan (Organizational innovation level, Best practices for each organization)
Result	5 orgs with better action plans 7 other organizations	1 best innovator / 4 innovator 7 best practices
Reward	More training seats for 5 organizations	Publicity for the best innovator

Second, even the motivation was given in a tailor-made way based on the potential that each organization has. The experts provided heavier assignment to the 5 better performing organizations, and lighter tasks to 7 with less potential which were asked to focus their energy to 2~3 candidate best practices since they did not seem to have enough of organizational capacity to pursue all 20 action plans.

<Table 8: Different target and reward for different groups>

	5 better performers	7 other organizations
# of action plans to be consulted by experts	All action plans (around 20)	2~3 candidates for best practices
Target of final evaluation	Organizational innovation capacity and Best practices	Best practices, 1 collected from each organization
Award at the final conference	Organizational level: Innovator Award*	Case level: Innovation award

* Best Innovator Award is conferred upon Corruption Eradication Commission (KPK), the best of the five whereas each of the rest 4 receives innovator award.

Third, the program took advantage of the recipient country's reform driving structure, so called grand-design of bureaucracy reform, led mainly by MENPAN, the partner organization in Indonesia. Since MENPAN had been in charge of a screening process of granting higher remuneration, all participating organizations had to be cooperative to this program jointly conducted with MENPAN and KOICA hoping that the result of the program may help them pass MENPAN's screening process. In order to emphasize this possibility, the evaluation was also jointly made between MENPAN and experts.⁹

Fourth, the consulting team tried to enhance the awareness of each Ministry by inviting the high ranking officials in each participating organization at the early stage of the program. There happened to be a positive correlation between the level of attention to this program of the high ranking officials in each organization and the result of the evaluation.

Along with the above mentioned three success factors deliberately designed by the consulting team, the importance of the political environment cannot be under-estimated. Series of

⁹ However, the program could have been more officially integrated into the Indonesia's Grand Design of Bureaucracy Reform. Of course, there is an obvious limitation in the role of the consultant. However, if the donor and the recipient could have agreed upon a more significant involvement in the reform process of Indonesia, the program must have exhibited a more meaningful impact.

Presidential agreement between two countries generated a strong commitment of participating organizations in Indonesia.¹⁰ Indonesian President Yudhoyono's win in the July 2009 election right before the program also provided a very good political environment for government reform which was expected to be driven roundly by the second term President. This suggests that TA on public governance should be conducted under politically favorable condition, which is generally at the beginning of President's term.

4.2 Strategies for Experts

Well-selected expertise

Selection of the right expertise that meets recipient country's need is the first step for the success. As major fields of expertise, the KPC selected 8 domains in the appendix 1 based on the survey for Indonesian civil servants. The general competency that experts are recommended to have was explained by Watson, Thong, and Zinke (2007).

The chemistry among expert members was also an important selection factor. They spent around a month and a half together in Jakarta each year during the program, and they would not have been so enthusiastic about the program if their working and personal connection was not so smooth. The role of a local staff hired by the donor deserves some attention too. Her role was more effective since the Indonesian partner, MENPAN allows a space for her in the Ministry. She played an important role in sending messages, compiling reports from 12 organizations, coordinating meeting schedule, translating Bahasa Indonesia to/from English when necessary.

Motivation of experts for devotion

For a locally applicable consulting product, motivation of experts is as important as their capacity since experts selected by donors generally have insufficient knowledge on the recipient country compared to their rich expertise on their research field. Documented information in English is rather limited, which is more so without full-hearted cooperation of the recipient. Unfortunately, the experts do not have a strong incentive to make an initial human capital investment in accumulating knowledge specific to the recipient country since such knowledge most likely will not be utilized again once the program is over. This is why many outputs of TA carry very weak local applicability. There should be a strong role of the donor organization to bring out and orchestrate the motivation of experts to make an initial HR investment on the recipient country as was in this program by KOICA and KPC.

First, there were two official evaluations by KOICA, one interim¹¹ and the other final, which worked as a burden for the experts. In order to maximize the accountability of the expert

¹⁰ When President ROH, Moo-Hyun visited President Susilo Bambang Yudhoyono in December 2006, they agreed on the capacity building program for Indonesian government. The discussion for the second phase was accelerated by the official visit of President LEE, Myung-Bak to Indonesia on March 2009 who also vowed a TA on the governance field.

¹¹ To evaluate the effectiveness and efficiency of the project, KOICA dispatched an interim evaluation team to Indonesia July 2010. They did face-to-face in-depth Interview, survey, and observation. The following is the summary of the survey. (1)

team, a wide spectrum of devolution to the team is critical in a wholesale way from the beginning till the end. This arrangement reinforced the ownership of the experts over the program which made them more sensitive to the evaluation result. Another critical yet implicit evaluation came from a peer pressure. The expert members should cooperate closely but at the same time give a constant pressure each other to maintain a quality work. One important factor to make this peer pressure present is to make the project manager (PM) free from the actual consultation burden so that he can focus on the managing role.

Second, since the program lasted two years, longer than the ordinary one year, the experts had a stronger motivation to build their expertise on Indonesia's governance. Under one year program, it will be difficult to expect consultants to make an initial investment since the investment recovery period is not long enough. This extended duration had also a by-product, the human touch between the experts and the Indonesian civil servants, which also strengthened the motivation of experts because they tried to do their best to maintain their reputation and friendship.

Third, the consultants had to stay in an Indonesian organization for a whole month during the first phase of the program. This forced initial human capital investment turned out to be very effective in bringing out motivation of experts because the experts not only became more capable but also more motivated to produce better output since they earned a potential to become experts in Indonesian governance. This forced initial investment was not planned initially at the beginning of the first phase program in 2007, but turned out to be very effective.

Encouraged by the fore-mentioned motivation, the Korean experts organized and actively participated in the Study Group on Indonesian Public Administration under Korea Association for Public Administration (KAPA). Through formal and informal seminar gathering, the experts have developed their expertise on Indonesian governance. Based on the knowledge on Indonesia acquired through the program, the experts published a book jointly with Gadjah Mada University in Indonesia. When the result of the TA can be utilized by the experts in producing research publication, the motivation of the experts who are mostly in the academia, will be significantly enforced.

5. Guidelines for a Donor Agency

Based on analysis on current TA of Korea, lessons from education theory and a case study, this section suggests guidelines for successful TA based on motivation and capacity of both recipient and donor countries.

5.1 Recipients' Motivation and Capacity

All participants are actively engaged in the project and about 20-30% of their work time is allocated for this project. (2) Action planning and its implementation is the first priority work in their work schedule. (3) When they started, they didn't thought they need reform but as the project progressed, they were highly motivated that they need to reform. (4) Most leaders in each institution actively supported the project and action plans developed by their action plan team. (5) All participating institution believes the project is very helpful for their bureaucratic reform.

Provide practical incentives

Resistance to the newness of ideas, people and culture is common in every civil service. How to induce a participating institution and its civil servants to active involvement is critical for the success of TA. Voluntary involvement through self-recognition or persuasion can be most effective. Yet this is hard to expect in a developing countries where a motivation scheme is not properly in place. Therefore, deploying practical incentives for participating civil servants is an integral element as a means of increasing their motivation. Selecting best performers at individual, unit and institution levels and awarding them with right incentives are of very necessity.

Incentives such as overseas training chances and recognition can be offered by the donor agency and/or the recipient government. However, for incentives such as promotion and better placement, it should be arranged on a basis of an agreement with a partner government at the onset of signing TA. Another condition for an effective incentive scheme is a fair, objective, and transparent process of selecting best performers. Although experts can lead the selection process, it might be better if the selection process is carried out in cooperation with a partner institution of the recipient country which has right authority.

A partner institution and civil servants should be involved in a wide range of program-related activities: identify problems, develop and implement action plans, and monitor and evaluate the progress of action plans. While this active involvement allows a partner institution to build its ownership and to strengthen its empowerment during the entire process of TA, it does not necessarily mean that the diminishing roles of experts. Experts have to observe and consult on whether such involvement or empowerment is adequately exercised. The incentive will make more sense when the participating individual and institutions are fully committed to the program by active involvement.

Respect the recipient's system

The recommendation of the donor should be compatible with existing institutional arrangements of a recipient country. For example, if a donor agency wants to sell a long-term economic development planning strategy, the partner country cannot buy it when its national economic development plan has already started. Rather than suggesting a totally new mechanism in which the consultation output can work best, experts needs to respect an incumbent system, though it may not fully satisfactory, if it can facilitate adoption of the experts' idea.

TA can be more effectively implemented if it utilizes the organizational system and human resources of a partner institution. Even when a TA program needs a new unit or taskforce that is responsible for the program in a partner organization, it must be approached carefully when it is subject to the law on government organization in a partner country. Also even if an existing organization and manpower are not fully compatible with what TA intends, it is better for experts to accommodate the existing situation since the attempt to change those whom the experts work with causes conflict more than cooperation. However, it is also very important to suggest transfer-friendly work environment in the consultation report. In summary, experts should work with the current system and people, but suggest something

new in the report.

Select, train and retain right people

The first step for a successful TA is the selection of right civil servants in participating organizations who are in charge of jobs and tasks in line with what a TA program pursues. In some cases, however, a chance to attend the training program is used as a gift rather than an investment. It is necessary for a partner institution to keep their jobs at least for some years after the TA program to fully utilize knowledge and skills that they acquire from TA. Occasionally, however, a partner institution changes jobs and tasks of civil servants who participated in training right after the program and even in the midst of the program. It is obvious that this job reshuffling significantly weakens the effectiveness of a TA program. To select, train, and retain right people, a donor agency based on an agreement of a partner government may consider putting this as a formal condition in the terms of reference (TOR).

Provide tailor-made consultation and trainings

The success of a TA program depends not only on the experts' knowledge on the program but also on their understanding of the needs and contextual characteristics of a partner institution. One of the most common mistakes in designing and providing consultation and trainings is that the issues and themes are so general and theoretical that a partner institution and civil servants lose their interest. What partner institutions expect from experts differs from each other because they have their own organization culture and a strategic position within the government. Furthermore, the levels of readiness to accept a reform are different among participating organizations. Therefore, consultation and trainings need to be customized to incorporate the diverse interests and expectations of the recipients. One of the best approaches to design tailor-made consultation and training is to make a program-specific SWOT analysis for each partner organization, and let it formulate its own reform agenda.

When it comes to training, dual-track matrix training is desirable. Accordingly, the contents and foci of training should be differentiated depending on ranking and also on the types of job as the following table shows. The training for higher ranking officials can offer general curriculum such as leadership and strategies, but for working level officials, a more customized contents should be provided.

<Table 9: Suggested curriculum by dual-track matrix >

	Working level officials	High rankers
Planning Bureau	Plan formulation, monitoring, evaluation etc	Leadership Strategies Culture change
Personnel Bureau	Performance management, performance pay etc	
Fiscal Bureau	Budget, procurement, fiscal management etc	

5.2 Experts' Motivation and Capacity

Motivate experts with ownership and incentives

A donor agency needs to provide additional incentives to encourage dedicated efforts of the

experts. For example, professors who seek a chance to link program activities to academic publication can be further motivated if a donor agency arranges a publication after the program is completed. Also experts will show more efforts if the expertise on the recipient country could be used again in the future. It is important for the donor agency to maintain a pool of experts on a specific country.

Like in other government-funded projects, a TA program should be assessed properly on a regular basis by a donor agency. In an assessment, both the overall performance of the program and individual experts' contribution should be evaluated. Although inputs of the program are relatively easily quantified, its outcome is hard to be quantified. Along with a quantitative assessment of inputs such as time spent and the number of visits to a partner institution, outcome can be better measured through a questionnaire survey or interviews of recipient civil servants. The outcome, of course, should be linked with compensation by the donor organization. In order to maximize the accountability as well as the sense of ownership of the experts, they should be empowered by the donor agency so that they may participate in designing and modifying, when necessary, the program. This wide-range of empowerment will enhance the accountability and ownership of experts to the program.

Form a quality expert team

There are several competence-related qualifications that participating experts need to possess. The most important competence is of no doubt the expertise they have in the relevant field. In addition, if experts have practical first-hand field experiences, it is a better combination. Together with TA-related competence, experts' attitudes such as dedication to and passion for the program are integral for the success of TA. No matter how experts possess necessary knowledge and experiences, they become less useful if they take a stance of "take it or leave it." This stance is one of reasons why many TA programs are turned out to be fruitless. This dedication will of course come from motivation of experts. When an expert team is formed, it is often the case that one of experts becomes a project manager (PM). However, the most important roles and responsibilities of the PM is to facilitate smooth coordination and communication among experts, a donor agency and partner institutions, and to manage the entire program effectively. In this regard, it would be better to exempt the PM from actual consultation burdens in order for him/her to spend time on effective TA management.

There are three types of experts with distinctive strength and weakness. An optimal mix of their expertise is recommended while a harmonious chemistry among team members is very important too.

<Table 10: Three types of Experts>

Occupation	Type of knowledge	Strong points	Weakness
Professors	Academic knowledge on the expertise area	Abundant knowledge on the issue	Local applicability of the recommendation
(former) Civil servants	Knowledge on the field experience	First-hand experiences of practical cases	Passion (motivation), Opportunity, Language
Consultants	Knowledge on TA process and network	Project manager (PM), Presentation skill	Knowledge on the topic

To hire a local assistant as a member of the expert team is a good way of overcoming obstacles such as language barrier and geographical distance. Considering the importance of smooth communications and exchange of information between the donor and the recipient, recruiting a competent local assistance is more important than generally perceived. A local assistance can play multiple roles as an interpreter as well as a liaison staff. A local assistant can be more effectively utilized if the major partner organization respects his/her roles, and provides a space in its office.

Design multi-year program and dispatch experts for enough time

Most of TAs have comprehensive and broad goal such as capacity building or governance improvement which takes a long time to achieve. It would be more effective for a donor agency to make a multi-year contract with the recipient country rather than typical one year, or less-than-a-year, contract. This does not necessarily mean that experts can hold a long-term contract. As discussed earlier, their multi-year contract should be subject to the results of interim performance assessment by a donor agency. The possibility of a multi-year contract will induce stronger commitment and motivation from the experts.

To allow experts to get necessary knowledge, enough stay in a partner country, say for a month or so, is the best option. Dispatching experts for enough time gives another merit. Experts with a sufficient duration of stay can build strong relationships with civil servants in partner institutions. In addition to profound knowledge of experts, reciprocal trust between experts and civil servants in partner institutions on the basis of strong relationship is another key element of successful TA. Since a long period of stay at an early stage of the program is an initial investment, one will be more motivated to become a regional expert. The following table summarizes key factors explained in this section.

<Table 11: Key Success Factors of TA>

	Motivation	Capacity
Demand Side: Partner Country (Participating organizations and their civil servants)	<ul style="list-style-type: none"> ● Provide practical incentives for partner institutions and participants (D, M&E) ● Utilize the existing frame of the partner country (D, I) ● Utilize organization and manpower of partner institutions (D, I) ● Empower partner institutions and participants with the ownership (I) 	<ul style="list-style-type: none"> ● Select, Train and Retain Right People (D, I, M&E) ● Provide tailor-made consultation and program-specific trainings to partner institutions (D, I) ● Provide rank- and job-specific trainings (D, I)
Supply Side: Donor Country (Aid Agency and Experts)	<ul style="list-style-type: none"> ● Select and compose quality experts for TA (D) ● Empower experts with the ownership (I) ● Provide adequate and extra incentives for experts (D, M&E) ● Execute program evaluations with rewards (M&E) 	<ul style="list-style-type: none"> ● Design mid- or long-term consultation rather than short-term consultation (D, M&E) ● Hire and utilize local assistants (D, I) ● Dispatch experts to a partner country for enough time (D, I)

Note: Bold initials in parentheses refer to the stage of a life cycle of a TA program: designing of the program (D), implementation of the program (I), and monitoring and evaluation (M&E) of the program.

6. Suggestion for Donors' Cooperation

Having unusual experiences of achieving both economic growth and political democracy, Korea is in a position to stage more active TA programs for developing countries. To maximize its impact, TA should be conducted in a way to encourage not only the capacity but also the motivation of both recipient and the experts, that is, TA programs should pursue the competency-building, not simply capacity building.

These efforts will be more effective when they are collaborated and coordinated with the other donor countries. As a donor, there are 4 roles in the process of TA: financial support, program design, program implementation (consultation, training), and evaluation. Among many possible cooperation models, this paper would like to propose two types. First, a donor country can provide financial source and evaluate the outcome after the program is over, but utilize the experts in the other countries. Two collaborating parties, of course, can design the program jointly before implementation. A donor country can maximize the effectiveness of its TA by employing the most suitable group of foreign experts.

Second, a donor country can let the foreign organization, not the donor agency, to conduct the evaluation on the expert team that has implemented the TA program. Though most of programs can be evaluated by the donor agency, evaluations on important programs with big scale of which outcome the donor agency cannot be free from could be commissioned to the foreign organization for a more objective perspective.

Finally, the donor agency should be assessed as well in terms of TA management or its management capacity. A donor agency is not simply a distributor of aid funds, rather, it is an ultimate manager of TA program. Therefore, the agency should possess sufficient expertise in designing, implementing, monitoring and evaluating TA programs. Donor agency's competent involvement with strong ownership of the program is crucial for ensuring the effectiveness of TA. Of course, it will be the role of the government that provides proper consequences based on the result of the evaluation on the ODA agency.

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Appendix Table

<Eight Modules used in Capacity Building Program for Indonesian Government>

Modules	Suggested Reform agenda
Strategies for Reform	Strategic planning
	Leadership & Driving force for reform
	Change Management for reform
Personnel Management	Recruitment
	Placement / Rotation
	Advancement / Promotion
Performance Management	Improving Job Appraisal
	Linking Performance with Pay and Promotion
	Establishing Organizational Performance System
Organizational Management/ e-government	Organizational Diagnosis System
	Restructuring and Reorganization
	Business Process Reengineering
Anti-Corruption Transparency	Transparency and Simplification of Business Process
	Ethics of Employees
	Internal Audit and Monitoring

Regulatory Reform	Procurement and Budget Expenditure Regulation Reform
	Regulation Reform on Business Process
	Intra & Inter Business Unit Coordination
Reform in HRD Function	Proprietary Competency Modeling Procedure for Indonesian Gov't
	Proprietary Instructional Systems Design Model
	Development of HRD Specialists
Gov't Reform through HRD Function	Roadmap for Developing the Indonesian Gov't Competency Model
	Reform Gov't Officials Leadership Development Curriculum
	Development of HRD ROI(Rate on Investment) Evaluation