

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: SESS/SERD

TA No. and Name TA 3954-PHI: Organizational Development of the Commission on Higher Education			Amount Approved: \$ 500,000		
			Revised Amount: \$ 500,000		
Executing Agency Commission on Higher Education		Source of Funding: TASF		TA Amount Undisbursed \$53,414.67	TA Amount Utilized \$446,585.33
Approval 31 October 2002	Date Signing 24 January 2003	Fielding of Consultants 5 November 2003	Completion Date		
			Original 15 November 2003	Actual 31 March 2005	
			Closing Date		
			Original 15 November 2003	Actual 28 February 2006	
Description This advisory technical assistance (TA) was planned to strengthen the capacity of the Commission on Higher Education (CHED) to spearhead a reform agenda, developed through a solid body of work that included (i) the Philippine Education Sector Study (TA 3072-PHI), (ii) the Presidential Commission on Education Reform which reported in 2000 and leant heavily on the findings of the sector study, and (iii) TA 3500-PHI which prepared a higher education development project to implement some of the key reforms identified for higher education. Although the proposed project was subsequently approved and implemented by the Government, no loan ensued as funding was provided from the Government's own resources.					
Expected Impact, Outcome and Outputs The purpose of the TA was to enhance CHED's capacity to implement the recommended reforms through a comprehensive process of organizational development aimed at strengthening CHED's role in policy development and planning, resource allocation, and quality assurance in the higher education system. The strategies followed included improvement of operating systems, development of more effective strategies to deal with clients and other agencies, and better-targeted human resource development (HRD). The outputs expected were (i) a set of performance standards and monitoring mechanisms for CHED, covering the central and regional offices; (ii) a more effective and efficient organization structure to allow the absorption of new responsibilities; (iii) a rationalized staffing pattern with more professional staff positions; (iv) new manuals of procedures decentralizing authority to lower levels of the system; (v) a 5-year HRD program; (vi) increased staff capacity in areas critical to the success of the reforms and (vii) more effective advocacy for reform. The TA was relevant as it supported the Government's intention to pursue key reforms in higher education, and the TA design and objectives were appropriate for this purpose.					
Delivery of Inputs and Conduct of Activities The TA was financed by a grant of \$500,000 from TASF, and provided 7 person-months of international and 18 person-months of domestic consultancy services (3 international consultants, including the team leader, and 4 domestic consultants). The TA also funded consultation meetings and workshops to facilitate consensus building among different levels of the central bureaucracy, and between the center and the regional offices. The performance of the consulting firm (the British Council) was satisfactory. The consultants were well-liked by their counterparts and functioned well as a team, although team leadership was rather weak. The TA was highly participatory throughout, with many consultation meetings and workshops held across the country with major stakeholders, including the regional offices, universities, and students. CHED provided a high level of support to the TA at the working level, demonstrating a strong commitment to the task. A high level of support for the TA was also shown initially by the Secretary of Education and his senior management team. However, the absence for extended periods of key CHED personnel including the Chairman and the Executive Director during the TA, for sickness and other reasons, hampered progress. In addition, there was only limited involvement of some of the Commissioners. The performance of the EA must therefore be rated as less than satisfactory despite the active and effective support at the middle management level. Five formal review meetings (documented in notes-to-file) were held throughout the TA with the consultants and CHED officials, in addition to one review mission. The press was invited to the final tripartite review meeting to share in the major findings and recommendations, which resulted in several articles in national newspapers. The project officer maintained very regular contact with the consulting firm and CHED managers and officials, and responded flexibly when changes in implementation were needed. Two one-day workshops on results-based management given by RSDD staff was arranged by the project officer for CHED commissioners and senior managers. The performance of ADB can therefore be rated as satisfactory.					
Evaluation of Outputs and Achievement of Outcome The TA produced all of the outputs planned, in addition to some unplanned but highly appreciated outputs relating to the higher education management information system. The final report consisted of a summary volume and three detailed volumes covering (i) organizational development and HRD, (ii) the normative funding system, and (iii) the quality assurance system. The major outputs were a set of performance indicators and standards, a monitoring and evaluation system covering both the central and regional offices, a proposal for a more rational staffing pattern with more professional staff positions, new manuals of					

procedure decentralizing authority to lower levels of the higher education system, increased staff capacity in areas critical to the success of the reforms, more effective capacity and structures for advocacy, a systematic funding model for the equitable distribution of government funds to the state-funded universities and colleges (SUCs), and a design for a quality assurance system that would allow CHED to monitor and evaluate SUCs and strengthen the role of private sector accreditation agencies in strengthening program quality.

The most successful outputs were achieved under the normative funding component. A relatively simple model was developed that allowed CHED to introduce a more rational system as the basis for budget allocations for SUCs, previously based on historical allocations that were difficult to justify. The major thrust of the work was to determine the 'norms' for budget allocation i.e. how much a specific field of study and education level should cost. This approach was a breakthrough and was greeted most enthusiastically by CHED staff, as previous approaches they had funded had become bogged down in trying to unravel how much universities were actually spending on their programs. The model was detailed, covering both the direct and indirect costs of instruction, and research and extension services. Norms were developed for different types of courses at different levels of study, and a Manual of Procedures developed. These figures were tested during an initial piloting of the model, and were subsequently used by CHED and the Department of Budget and Management (DBM) as a basis for 25% of the allocations for SUCs in the 2005 budget, with the intention that it would be phased in fully by 2008. A joint circular between CHED and DBM was issued declaring the planned schedule of implementation of the normative funding formula.

Also successful was the quality assurance component. The TA resulted in agreement on a new quality assurance system, to be established in CHED and produced three booklets: (i) Recommendations on Quality Assurance, (ii) an Operating Handbook on the Monitoring and Evaluation of Higher Education Institutions, and (iii) Management of the Quality and Standards of Programs. The model proposed was piloted in reviewer training programs at private and public universities. The major recommendation in this area was to place greater emphasis upon learning outcomes (an outcomes-based approach) rather than focusing mostly on inputs and processes. The second main recommendation, made in the light of CHED's limited resources, was to focus upon institutional rather than individual program accreditation, then current practice. Some progress was made on delineating the new role of CHED in quality assurance, and the established but inefficient roles of the private accreditation bodies. The work in quality assurance was augmented by additional inputs funded by the British Council, which have continued after completion of the TA.

The organizational development component was hampered by the absences of two key personnel, but there were significant achievements. A detailed 5-year plan for capacity building was developed based on a detailed assessment of job requirements and staff capacity—this continues to be implemented on schedule. A new Manual of Procedures was developed and approved, and is currently being updated by the technical working group established for this purpose in consultation with the TA consultant. The Manual was particularly successful in rationalizing the structure and functions of the regional offices. A performance audit process was also designed and tested. The recommendations on restructuring were accepted by CHED after lively debate. A new recruitment and selection process for CHED staff was identified, with detailed procedures and instruments.

Overall Assessment and Rating

The TA can be rated successful, despite the difficult management environment in which it operated. The TA outputs and recommendations formed the basis for the development of the new normative financing system and the new system of quality assurance. Organizational changes to ensure the sustainability of these new programs were also introduced. A few of the reforms developed have proved less sustainable, in the face of changing leadership and changing policies at CHED and nationally. The performance standards and audits have not been implemented as a new national system auditing performance was introduced after the TA ended, and this overlapped with the TA model; the rationalization plan has not been approved by the relevant oversight agencies; and the new recruitment and selection process has been introduced only in some CHED Offices. Overall, however, the TA had a positive impact upon CHED's capacity to lead and implement the reform agenda.

Major Lessons

The main aim of the TA was to strengthen the organizational capacity of CHED. The TA illustrates once again the crucial role that leaders play in the effectiveness of such programs. It appears that some of the impetus for the reform of higher education, including CHED's capacity to spearhead it, has since dissipated with the departure of key change agents, and a changing political climate. Despite this, however, many of the programs developed and introduced under the TA have persisted because there was strong support for, and involvement from, middle management staff. Their commitment to the strengthening of CHED and the reform agenda has continued despite the leadership changes. This illustrates the importance of active involvement of staff other than those at the most senior levels, to provide continuity and help ensure sustainability.

Recommendations and Follow-Up Actions

The TA reports made detailed recommendations on further actions to extend and consolidate the accomplishments of the TA in the three areas of focus. Occasional monitoring of their implementation has continued by both the ADB project officer and the consulting firm. It is clear that CHED staff are knowledgeable about these recommendations and are continuing to pursue them under the government-funded higher education development project.

Prepared by	Wendy Duncan	Designation	Senior Project Implementation Specialist
-------------	--------------	-------------	--