

# Managing an Innovation Fund Vietnam

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## ABSTRACT

The paper discusses the organization and staffing of the innovation fund administrative support unit in Vietnam's Higher Education Project. Topics presented include: disbursement of funds, procurement of goods and services, and provision of capacity building technical assistance or training to fund management counterparts in universities.

## I. PROJECT Background

About higher education in Vietnam [1, 2] :

- ~ 80.000.000 population; ~800.000 students (2000), increase ~12%; 140 students/ 10.000 population (2005);
- average number of students per university ~5.000 students; ratio of student/ lecturer ~24;
- ~200 public universities / colleges; ~ 20 people founded universities; university scale (i) national university; (ii) regional university; university;

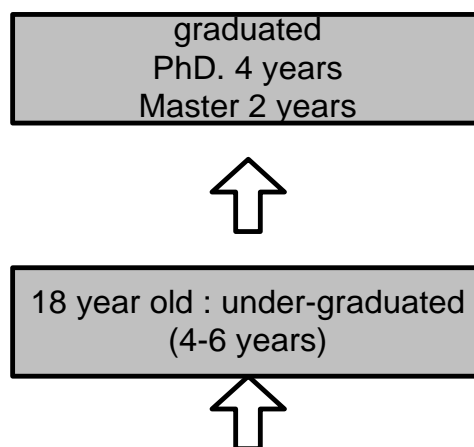


Figure 1. Structure of the Education system

## II. Higher Education Project

The Ministry of Education and Training designed the Higher Education Project from the mid-1990s. In March 1999 the project, using a World Bank (WB) loan, became officially effective. The total budget is US\$ 103.3 million, of which US\$ 80.3 million is from the World Bank, and US\$ 20 million from the Government and universities. For the Vietnamese, the project aims at reforming, consolidating and improving the quality of higher education in Vietnam. The project began in November 1998 and will end in December 2005.

The project aims specifically at (i) increasing coherence, flexibility and responsiveness of higher education; (ii) improving efficiency in resource utilization at wide system and institutional level; and (iii) improving the quality of curriculum, teaching, learning and research.

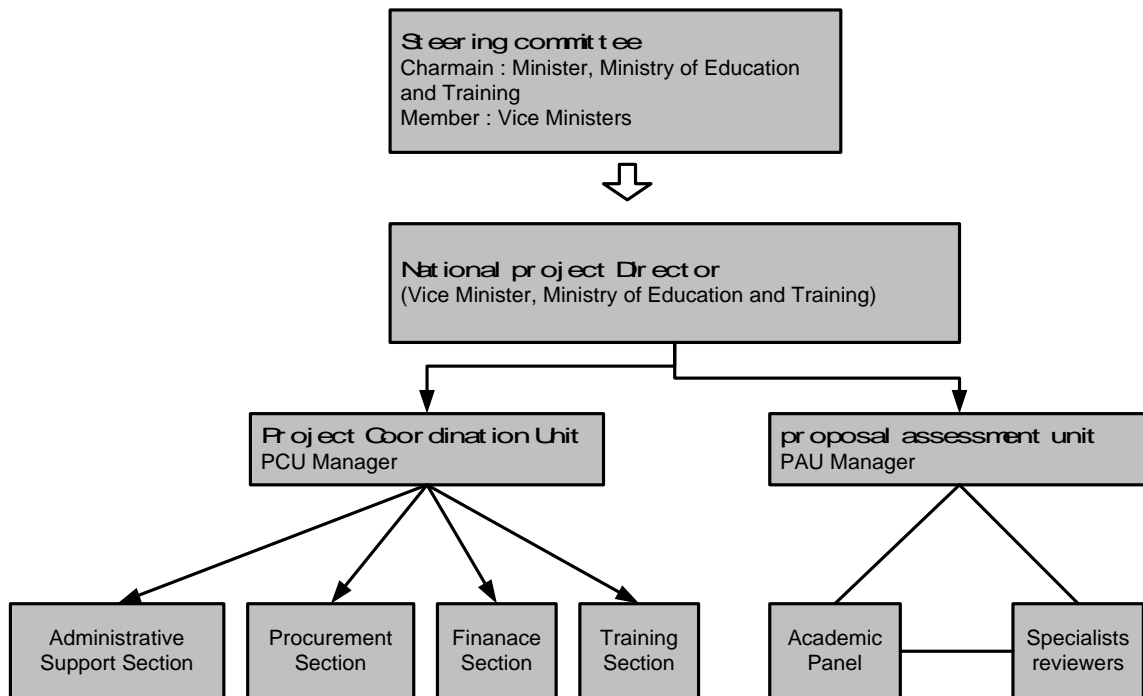


Figure 2. Structure of the project

The project office is located within the Ministry of Education and Training. It has approximately 20 staff in two units: Project Coordination Unit (PCU) and Proposal Assessment Unit (PAU). Each participating university has its own project management department with 3-5 staff.

The US\$103.3 million budget is used in three project components: (i) improving capacity at system / institutional level; (ii) quality improvement grant; (iii) technical support for the project.

COMPONENTS		Budget (US\$ million)	%
component 1 of the project		21.8	21
management, monitoring...	2.5		
equipment for management	15.0		
information technology for management	4.3		
component 2 of the project		79.1	76
component 3 of the project (technical assistance)		2.8	3
		103.7	100

Table 1. Components of the project

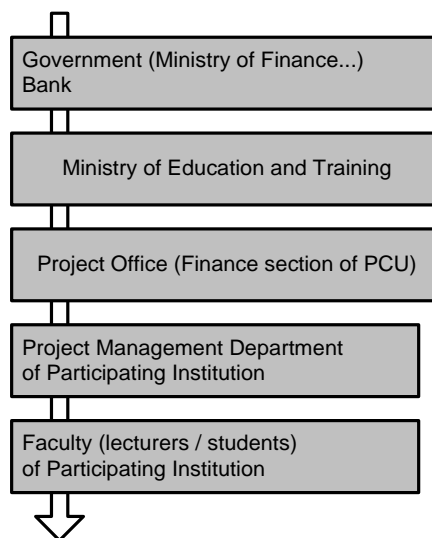


Figure 3. Flow of budget

Project activities are specified as follows :

1. Support to higher education policy development. According to some specialists, this is the first time Vietnam has put together a higher education policy. A draft policy, based on wide consultation from specialists, and ministerial/institutional managers, will be presented to the Government.
2. Support for the development of institutional regulations and charters. Principal sub-activities include:
  - Assisting in finalizing university regulations;
  - Assisting in developing college regulations;
  - Assisting in developing private university regulations;
  - Preparing documents and training at institutions for developing regulations;
3. Quality Assurance and Accreditation. Main activities concern:
  - Assisting in the establishment of the national quality accreditation council;
  - Training quality accreditation specialists;
  - Implementing pilot accreditation at some higher education institutions.
4. Academic and financial survey. The survey plays a role in evaluating each higher education institution. The project cooperates closely with departments within the Ministry of Education and Training, in data collecting and reporting supervisor.
5. Providing support in formulating financial policy for higher education.
6. Graduate tracer survey. The results of this survey help evaluate the education policy and investment effectiveness. In some institutions, with the support of project, a student support center has been established;

7. University strategic planning for quality assurance.
  - The project recommended the Ministry of Education and Training to officially recognize the strategic planning office as an integral part in institutional system;
  - Training institutional strategic planning officers. Each university proposes two officers for a training course of 12 weeks.
8. Selecting and investing through competitive quality improvement grants (QIGs). QIGs are awarded on a competitive basis to support selected improvement programs that have been proposed by higher education institutions. This is the first such mechanism to be applied in the Vietnamese education system, and has proved its feasibility through the interest and implementing capacity of participating universities. Enhancing competition, transparency for sub-project quality improvement : 36 institutions awarded A level grants (US\$ 500.000); 20 B level (US\$ 750.000); and 10 C level (< US\$ 8.500.000);
9. Speeding up disbursement for sub-projects. The project keeps to the principles of quality and investment efficiency, which should be reflected in disbursement results. To enhance supervision, the project has carried out training activities supporting effective disbursement for participating universities.

The procedure for submitting a Quality Improvement Grant sub-project is presented in the next paper. These sub-projects use the budget for: (i) library upgrading; (ii) laboratories; (iii) curriculum and training courses; (iv) information technology infrastructure.

### III. Some experience and next phase of the project

Following are some experiences from carrying out the activities of the project.

## 1. Advantages

- Higher education has a chance to put in place and test a competitive mechanism;
- Through the Quality Improvement Grants, education institutions have to keep regular contact with the PCU;
- Participant training courses concern financial management, quality assurance.
- The budget is an important investment for institutions;

## 2. Disadvantages

- Significant share of the project budget is delayed until the second half of project duration;
- During implementation process of sub-project, procedures and regulations must follow WB and Vietnamese Government requirements. A sub-project has to pass review in the PAU of the project, Ministry of Education and Training, and WB;
- Some staff in universities' project management departments are only part-time;
- Difficulties in writing course support.

## 3. Experience

- WB experts play an important role for WB policy, experiences, and supervision.
- In spite of the difficulties in solving certain difficulties, educational institutions have made efforts in project management;
- Libraries, laboratories, and curriculum are worthy investments in reforming, consolidating and improving higher education.

Phase II of the project [3] will focus on quality and scale of higher education. The targets of the future (the year of 2010) are:

- 200 students / 10.000 population; 70-80% of students receive career guidance;
- 40% of lecturers have master diplomas, 25% PhDs, number of student/ number of lecturer < 20 (natural sciences), < 15 (economical sciences), < 25 (social sciences).

The project proposes seven goals :

1. Matching higher education to the needs of Vietnamese society and economy, by correcting the design of the training and university system;
2. A flexible procedure in higher education, able to adapt;
3. Equipping lecturers with modern methodology;
4. Improving research and application activities in universities;
5. Modify financial procedures to increase investment effectiveness;
6. Autonomy in university management;
7. Competition within the country and in the Asia region.

## REFERENCES

- [1] Education review, review of Ministry of education and training, Hanoi, Vietnam, 12/ 2002
- [2] Vietnamese higher education, Ed. Education, Hanoi, Vietnam, 2004
- [3] Reforming higher education in Vietnam, phase II, Education newspaper, N. 100, 2005