

# DEVTECH phere

DEVTECH SYSTEMS, INC.  
Autumn 2003

## *Knowledge Management: Good News and Bad News*

There is much good news about knowledge management (KM). Probably the most important piece is that KM results from the accelerated and continuous production of knowledge in many fields of human endeavor, including one of our favorites, the knowledge about economic and social development. It now can help us in sifting through the increasing volumes of knowledge available that challenge our capacity to digest what we need to make informed public policy decisions.

As a result, more and more is known about the factors that promote or impede development and how to design and implement the right policies and institutional reforms. Therefore, we can say that at least in theory we have the formulas that could alleviate poverty and improve living conditions around the world. “We” know, for instance, that free trade, efficient markets, the rule of law, property rights, and individual freedoms

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## *PRIVATE COMPANIES JOIN SCHOOL SPONSORSHIP PROJECT*

*The following article by Mario Méndez was published on August 28, 2003, in the newspaper Hoy (Dominican Republic).*

It has always been assumed that the role of the government is to guarantee all of its citizens an education, especially elementary education, which is fundamental for the country’s human and economic development. However, the private sector has now become aware of the fact that it must get involved with initiatives in this area in order to improve the quality of public education.

This is how the School Sponsorship Project — an initiative supported by the U.S. Agency for International Development (USAID) — was born. Its goal is to repeat the successful experience of the Falconbridge Foundation, which has been sponsoring schools all over the country since 1989, covering 117 education centers today with approximately 75,000 pupils.

Those who are involved in the project realize its great impact on the Dominican Republic and feel this experience should be taken into account by all countries with a similar development level. According to them, the experience proves that, when schools receive the right amount of attention and are efficiently supervised, education can be significantly improved without excessive investment.

The School Sponsorship Project, which involves the participation of the private sector to strengthen public education, was launched by USAID in the summer of 2002. The implementation of the project was assigned to DevTech Systems, a company founded in 1984 by Jorge A. Sanguinetti, a Ph.D. in economics and the firm’s president. The company provides consulting services, technical assistance, and project management for development projects all over the world.

Short-term results are already visible: Among the country’s prominent companies participating as public school sponsors in this project are Ege Haina and Texaco. The following schools have benefited from Ege Haina’s assistance: “Thelma Germán Guante” in Haina;

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“Integración Juvenil” and “Salome Ureña” (a technical school) in Puerto Plata; “José Gabriel García” in Punta Pescadora, San Pedro de Macorís; “Escuela Nacional de Sordomudos” (a school for the hearing impaired) and “María Montez” in Barahona; and “Bienvenido Morillo” in Pedernales. The official sponsoring ceremonies for the latter two were celebrated on July 23 and 24, 2003, respectively. The events were attended by Ege Haina’s corporate communications manager, Mrs. Marta Fernández de Marzal, members of the schools’ administration and teaching staff, as well as representatives of the communities of Barahona and Pedernales.

### THE VISION OF EGE HAINA

When asked what motivated him to involve his company in the sponsorship program, Tito Sanjurjo, general manager of Ege Haina, answered: “Ege Haina has decided to launch an intensive social program in all communities where it holds business operations. Our plan is to sponsor one school per community, starting with the southeast (Barahona and Pedernales) as the launching center, and then gradually move on to the other geographical areas where we have our steam-electric powerplants, i.e., Puerto Plata, San Pedro de Macorís, and Haina.”

Sanjurjo added: “Our commitment is very serious. We are dealing with the education and schooling of a large group of children of a very young age. The success of this project requires support from all members of the company.”

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Ege Haina’s general manager welcomed the initiative and acknowledges the role of the government’s Department of Education in creating a space for cooperation by building bridges between the private sector and the government in order to allow other companies to get involved in the school sponsorship program.

### TEXACO’S INITIATIVE

Juan Manuel López, general manager of Texaco, stated that Texaco’s decision to join the school sponsorship program is in line with the company’s support program for the development of education in the country. It also responds to Chevron Texaco’s philosophy of raising citizens’ standards of

living by contributing to the improvement of the quality of education. Education aimed at developing skills, explained Mr. López, requires the commitment of multiple actors, including nongovernmental organizations, the private sector, and the communities themselves.

For many years, he declared, Chevron Texaco has invested in donations of construction materials for the building of classrooms, laboratories, and teacher housing. It has also provided educational materials and scholarships as part of an effort to improve educational development in all countries where it operates. Although these initiatives have significantly helped education, he added, it is paramount to attract the attention and obtain the support of ever-more committed organizations in order to reach more communities and increase work effectiveness.

“Today, Chevron Texaco focuses more than anything else on relationships and alliances that will allow for broader educational initiatives, i.e., those that transcend social barriers in the countries in which we operate,” Mr. López further declared.

Regarding his involvement in the project sponsored by USAID in the Dominican Republic and executed by DevTech, Mr. López said that successful sponsorship

### DEVTECH’S BEHIND-THE-SCENES STAFF



**Ivette Hernandez** is the **Controller** for DevTech Systems, Inc. She directs the company’s financial reporting function for the purpose of completing monthly financial statements, budgets, and cost accounting. Also, she interprets these reports for management and supervises day-to-day accounting staff. She is responsible for arranging the audit of company accounts and

prepares financial analyses and studies for proposed projects. She ensures that the firm is complying with the set of rules used as a basis for financial reporting and that a presentation of the firm’s financial position and its results of operations, in accordance with generally accepted accounting principles, is made on time.

## THE DEVELOPMENT STATISTICS UNIT (DSU) AT THE DEVELOPMENT INFORMATION SERVICES PROJECT

DevTech manages the USAID Economic and Social Database (ESDB) as a part of the USAID Development Information Services Project. The DSU statistical unit is the central source for data on developing countries at the U.S. Agency for International Development.

DevTech's economic analysts provide USAID economists and policymakers with access to social and economic data, analytical and technical support, and data-based research services. DevTech economic analysts regularly disseminate data from international sources directly to data users or more widely through the Agency's website. The ESDB puts 4,631 economic and social data series on the desktop computers of USAID employees.



*John Gold and Jennifer Powell of DevTech's DIS Project.*

The DevTech team produces the annual U.S. Overseas Loans and Grants Report (<http://qesdb.cdie.org/gbk/index.html>) and the Global Education Database (<http://qesdb.cdie.org/ged/index.html>); indispensable sources for information on U.S. foreign assistance levels and worldwide education data.

requires the participation of the educational community at large.

"Everyone should be involved in the process, including professors and students, members of the community, as well as all our employees. This way, we will be able to develop solutions that will improve the learning processes and conditions of the children and youngsters attending those schools," he declared. A ceremony to celebrate Texaco's sponsorship of the "Club Juvenil" school, located in Ensanche la Fe, was recently held at the school's facilities. The event was attended by Andrés Martínez, director of the School Sponsorship Office of the government's Department of Education, as well as by the assistant director of the Jacinta Frías district. Representing the local educational community were Ludovina Ramos, school principal;

Miriam Peña, representative of the teaching staff; Reyna Maldonado, president of the parents association; and Harolyn Peña, representative of the student council. Also present at the ceremony were Texaco employees.

## THE STRATEGY

The project's implementation has the following purpose: to impact the quality of education in order to achieve high levels of economic competitiveness, to develop democratic institutions, and to increase the country's cultural level.

As far as the private sector is concerned, the benefits of implementing this project are substantial. Indeed, a company's business performance improves considerably when the employer hires personnel with higher education levels.

An adequate education not only develops the skills and knowledge necessary in the professional world, but also those that determine the individual's behavior in the productive field: i.e., a sense of responsibility, team work capability, application of sustained effort in difficult areas, creativity, and motivation for success.

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are ingredients in the formula for prosperity and justice, but who is "we"?

It might not be enough to apply the current wealth of knowledge to the problems of development. KM is available to only a very few individuals and institutions, basically policymakers in governments and executives in business concerns. It is difficult to believe that their decisions alone will suffice to change living conditions around the world without some of the knowledge reaching other segments of the societies where the other beneficiaries of development reside. The widespread opposition to free trade, for instance, shows that despite the available and irrefutable knowledge about its advantages, ignorance can be strong enough to counterbalance the advantages of such knowledge. In fact, when one examines popular manifestations—such as those who oppose globalization in any international forum—it is easy to conclude that an informal counterpart to KM is becoming the management of ignorance, which after all is as old a tradition as humankind, especially practiced by politicians and rulers of all kinds to achieve their personal agendas. Isn't it time to dedicate a higher proportion of resources to the distribution of knowledge and relatively less to the production of underutilized knowledge?

—Jorge A. Sanguinety, Ph.D.  
President of DevTech Systems, Inc.

Established in 1984 by economist Jorge A. Sanguinetti, Ph.D., DevTech Systems, Inc. is a consulting firm that offers technical assistance in the following practice areas:

- Economic Growth and Public Sector Management
- Education and Human Capacity Development
- Environment and Natural Resource Development
- Evaluation and Performance Monitoring
- Gender Integration (Women in Development)

WE INVITE OUR READERS TO SEND THEIR LETTERS AND COMMENTS ON THE MATERIAL IN THIS ISSUE OF THE *SPHERE* TO DEVTECH SYSTEMS' ARLINGTON OFFICE.

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DEVTECH SYSTEMS, INC.

1700 N. Moore Street, Suite 1550  
Arlington, VA 22209  
Tel: 703/312-6038  
Fax: 703/312-6039

9350 Dixie Hwy., Suite PH-1  
Miami, FL 33156  
Tel: 305/666-5150  
Fax: 305/666-5165

<http://www.devtechsys.com>

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DEVTECH SYSTEMS, INC.  
1700 N. Moore Street, Suite 1550  
Arlington, VA 22209 USA