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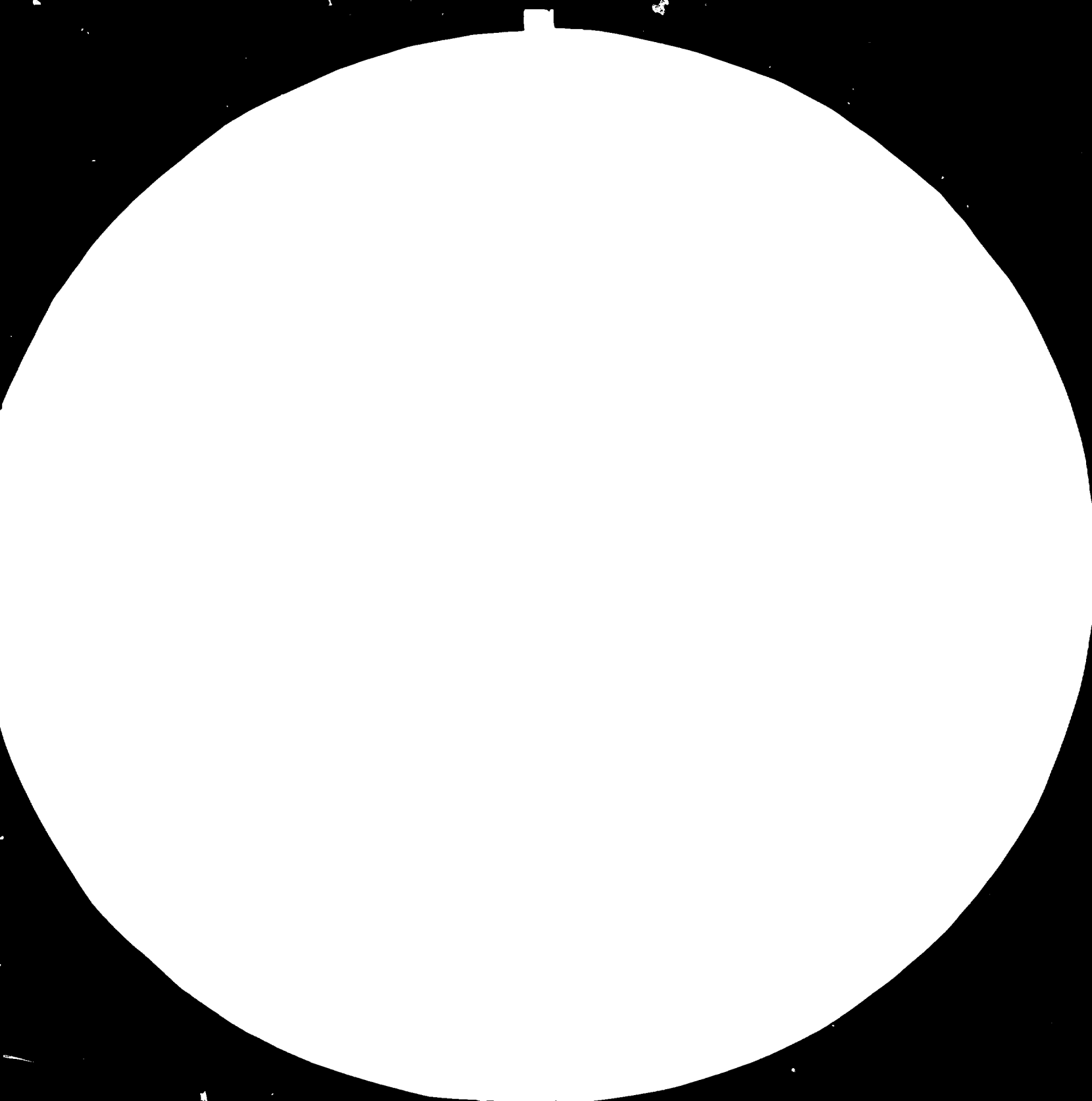
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RP/ZAM/82/003

ZAMBIA

Final Report: Details of the Seminar on Industrial Management given at the President's Citizenship College, Kabwe, Zambia, 12-30 September 1983, with some recommendations for further management development activities in Zambia *

Prepared for the Government of Zambia
by the United Nations Industrial Development Organization

Based on the work of Richard C. Cullen, Consultant General Management/Team Leader, and Reinhard Sleifir, Consultant Finance, and V. K. S. Menon, Consultant Production

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INTRODUCTION

After some correspondence and cables between UNIDO and the author of this Report, Richard C. Cullen, it was confirmed that he would be the Consultant in General Management/Team Leader for an Industrial Management Development Seminar to be held in Zambia. The Job Description for this post is attached to this Report at Annexe I.

The Seminar took place at the Presidents Citizenship College, Kabwe, Zambia, from Monday, September 12th 1983 to Friday, September 30th 1983.

The Consultant flew from the U.K. on 11th September and arrived in Lusaka at 0800 on the morning of 12th September, and later that day was driven to Kabwe. The Consultant in Financial Management, Mr. Reinhard Slejfir, had arrived in Lusaka on Saturday, September 10th and was also driven to Kabwe in September 12th. The Consultant in Production Management, Mr. S. V. K. Menon had a difficult journey from Kerala, India, and arrived in Lusaka on Tuesday, 13th September and was driven to Kabwe on Wednesday, 14th September.

This Report records details of the Seminar that was given, makes some assessment of the results that were achieved and puts forward some recommendations for further action.

I SUMMARY OF RECOMMENDATIONS

Section VI of this Report contains the recommendations made as a result of this mission. It also contains some qualifications as to the lack of time and inadequate information necessary to put forward many recommendations with a high degree of confidence. These qualifications should be kept in mind when the recommendations are considered. But for convenience a summary of the recommendations made is included here:-

1. A detailed investigation should be carried out in Zambia of the present management training courses, seminars and facilities.
2. A detailed Training Needs Analysis should be made of management training needs of Zambian managers.
3. As a result of such investigations detailed recommendations should be made of the actions to be taken, and by whom, to develop the most suitable management training institutions, facilities, courses and seminars, for Zambia.
4. A similar top Industrial Management Development Seminar should be conducted by UNIDO in Zambia in 1984.
5. A seminar on Personnel Management should be mounted in Zambia, for General Managers and Personnel Directors in 1984
6. An independent, but Government encouraged, Institute of Management should be set up in Zambia as quickly as possible.
7. Such an Institute should develop the means to provide short management training courses, in all areas of the Country, in general management, and in each of the functional areas of management.
8. Follow-up interviews should be conducted in six months time with each of the participants of this 1983 seminar to assess the benefits and changes that have resulted from their attendance at the seminar.

II OBJECTIVES OF THE PROJECT

The objectives of the project are recorded in the Project Proposal No. RP/EAM/82/173 and are as follows:-

A. Development Objectives

The development objective of the project is to contribute to the enhancement and understanding of the crucial role of industrial management for the development of the industrial sector in Zambia with a view to intensify national efforts of strengthening managerial and consultancy capabilities at the institutional, enterprise and factory level.

B. Immediate Objectives

- i) Provide an opportunity for various and wide number of Zambian nationals from various sectors of the economy including mainly the parastatals and the public sector industry to come together and exchange their views and experiences on the importance of industrial management and consultancy for industrial development in the country.
- ii) Provide an opportunity for the introduction and discussion of modern management techniques and consultancy with a view to assess their relevance for and application to Zambia's institutions and particularly industrial sector.
- iii) Based on the conclusion of the seminar, make recommendations regarding effective utilisation of industrial management and consultancy for the country's industrial sector.

III PREPARATION FOR THE SEMINAR

Some information on the subjects of the lectures to be given by the three consultants were given in their job descriptions.

- However
- (a) the information was not in sufficient details for adequate preparation.
 - (b) the job descriptions were only received a few days before the consultants had to leave for Zambia, so that the time available for detailed preparation was inadequate.

- (c) the time table and syllabus for the seminar were not received until after the arrival of the consultants in Zambia.

The time-schedule for the seminar is attached to this Report at Annexe II. Also headed "Information on the UNIDO Seminar on Industrial Management Development to be held at the Presidents' Citizenship College, Kabwe/Mulungushi from 12th to 30th September 1983". This document contains sections on the aims of the seminar, participants, and programme of the seminar. This last section is, in effect, the detailed syllabus of the seminar and ties the subjects mentioned therein with the time schedule. Additional sections cover information on the visits to factories and enterprises and discussion with their managers and the organisational aspects of the seminar.

It is considered that the three consultants would have been able much better to prepare their material, their lectures, their handouts and their visual aids, had the time-schedule and syllabus been made available to them at least two to three weeks before their arrival in Zambia. As it was, each consultant had to prepare his material etc., based only on the inadequate information given in the job descriptions. Had the three consultants been less experienced this lack of information to enable them to prepare their material could have resulted in an unsatisfactory and uncoordinated seminar.

A further weakness in the preparations for this seminar was that the three consultants did not have any opportunity to meet for discussions and the coordination of their material, training methods, hand-outs and general approach to giving such a seminar before it commenced. It is considered that the three consultants should have had at least two full days, in Zambia, for discussions and coordination before they commenced conducting the seminar.

IV THE SEMINAR ON INDUSTRIAL MANAGEMENT DEVELOPMENT

The Seminar took place at the Presidents' Citizenship College, Kabwe, Zambia, from Monday, September 12th to Friday, September 30th 1983. The UNIDO Consultants who conducted this seminar were Richard Cullen, Consultant in General Management and Team Leader, Reinhard Slejfir, Consultant Finance, and V.K.S. Menon, Consultant Production.

A. Participants

A list of those who would attend this seminar was prepared by the Ministry of Commerce and Industry and contained thirty-nine names. This list is attached at Annexe IV. In the event a total of twenty-two participants attended the seminar. A list of their names, organisations and the position they hold is attached at Annexe V. The participants came from sixteen different organisations, all of which are parastatal. The seminar was designed for General Managers, or equally very senior executives. Four participants were General Managers while a further twelve, from their titles, could be regarded as senior executives. Four participants were from middle to lower management levels.

One participant was recalled by his organisation three days before the end of the seminar and one other two days before the end, otherwise all the participants attended all the sessions of the whole seminar.

It is understood from the feedback from the participants, and from a remark on the seminar evaluation form, that most of the participants only had at the most a few days notice to attend the seminar. This weakness, whatever its cause, was one of the reasons why more General Managers were not able to attend.

B. Commencement

Monday, September 12th was used for the participants, and two of the Unido Consultants to travel to the Presidents' Citizenship College, North of Kabwe and about 150 km North of Lusaka. The official opening ceremony was held on Tuesday, September 13th. This was attended by the Deputy Under-Secretary to the Ministry of Commerce and Industry (Mr. Mufwaya), The Principal and Deputy Principal of the the Presidents' Citizenship College, the Administrative Officer of the Course from the Ministry of Commerce and Industry (Mr. Mubanga), the UNIDO Consultant in Zambia (Dr. R. Dolczewski), the Public Relations Officer of the College, the UNIDO Consultant/Team Leader and UNIDO Consultant Finance (Mr. R. Slejfir). Speeches of welcome were made by Mr. Mufwaya, the Principal of the College and the Consultant/Team Leader. These were recorded by Radio Zambia and later transmitted. The administrative arrangements of the College were explained by the Public Relations Officer, and the administrative

arrangements of the Course were explained by Mr. Mubanga. These proceedings took nearly all the morning of Tuesday, 13th September. Then, after lunch, the seminar commenced by the Consultant/Team Leader introducing himself to the participants by giving a few details of his career and experience. The Consultant/Finance followed suit and then each of the participants did the same. Thus everyone had an opportunity of learning something about the UNIDO Consultants, and the other participants.

The first plenary session, on General Management, was then given by the Consultant/Team Leader during the last period.

C. Subjects Covered in the Seminar

The lectures presented during this seminar covered all aspects of:

1. General Management
2. Financial Management
3. Production Management

These were delivered by the three Consultant/Instructors
i.e.

| | | |
|-----------------------|----|------------------|
| General Management | by | Richard Cullen |
| Financial Management | by | Reinhard Slejfir |
| Production Management | by | V. K. S. Menon |

However, the Team Leader considered that for such a top level seminar the important functions of Personnel and Marketing could not be excluded. As a result these subjects were covered by the Team Leader in two sessions of Lecture/discussions.

Each Consultant/instructor was asked to prepare a synopsis of the subjects that were covered in each period that he took. These synopses are attached as Annexes as follows:

General Management/Marketing/Personnel, thirteen sessions given
by Richard Cullen Annexe VI

Production Management, seven sessions given
by V. K. S. Menon Annexe VII

Financial Management, seven sessions given
by Reinhard Slejfir Annexe VIII

As all the details of the subjects covered are given in these annexes, it is not considered necessary to give any details of the subjects covered in this section of the report.

D. Methods of Instruction

The main method of instruction was by means of the lecture/discussion given and lead by the Consultant/Instructor. The participants were asked to comment and to ask questions during any session when they either had a query or did not understand anything. In addition time was always left at the end of each session for any questions and discussions. The response of the participants was good in that they soon had the confidence to ask questions or to make comments when the occasion arose.

Mr. V. K. S. Menon used two case studies and Richard Cullen used three exercises. A whole day was used to run a business game (see later sub-section). Overhead projector transparencies were used by both Richard Cullen and V.K.S. Menon to illustrate and assist with their lectures. Both had brought these with them, and the Team Leader (Richard Cullen) used a total of thirty-two of these transparencies.

A total of twenty-two plenary sessions of lectures and discussions were held, one session was used to brief the participants on the business game and for two sessions the whole group was divided into three functional groups, i.e. Personnel, Finance and Production, and for these sessions each instructor held discussions/question answering sessions for those in his functional group.

E. Analysis of Course Time

Excluding the opening and closing ceremonies, the seminar consisted of forty-eight sessions, each of one and a half hours. The analysis of these sessions is as follows:

| Method of Instruction | Subject | Instructor | No. of sessions | Page of total |
|--|--------------------|------------------------------|-----------------|---------------|
| Lecture/discussion/ Exercises | General Management | R.C.C. | 9 | |
| Lecture/discussion/ Case Studies | Production | V.K.S.M. | 5 | |
| Lecture/discussions | Finance | R.S. | 5 | |
| Lecture/discussions | Marketing | R.C.C. | 1 | |
| Lecture/discussions | Personnel | R.C.C. | 1 | |
| All lecture/discussions | Sub-total | | 21 | 43.75 |
| Functional Groups; discussions and questions | Personnel | R.C.C. | 2 | |
| | Production | V.K.S.M. | 2 | |
| | Finance | R.S. | 2 | |
| Function Groups | Sub-total | | 2 | 4.17 |
| Factory Visits | All | All | 16 | 33.33 |
| Business Game | All | All | 6 | 12.50 |
| Final Feedback Discussion | All | R.C.C., R.S. Mr.Nanjundan | 3 | 6.25 |
| TOTAL | | | 48 | 100.00 |

F. Factory Visits

Four whole days were occupied by visits to five factories as follows:

| | | |
|--------------------------|-----|-------------------------------|
| Thursday 15th September | | Mulungushi Textiles Ltd. |
| Tuesday 20th September | and | Kabwe Industrial Fabrics Ltd. |
| | | National Milling Company Ltd. |
| Thursday 22nd September | | Kapiri Glass Works Ltd. |
| Wednesday 28th September | | General Pharmaceuticals |

Originally it had been planned to visit the Bata Shoe Factory in Lusaka, but transport was not available, so the visit to General Pharmaceuticals was arranged instead. While this visit proved interesting it was unfortunate in that the participants were unable to see over a factory in the private sector, as all the above five organisations are parastatal.

On the factory visits the participants were divided into the three functional groups, i.e. Personnel, Production and Finance, and were shown over the factories in three separate groups. The groups were lead by the Personnel Manager, Production Manager and Finance Manager. At the Mulungushi Textile Ltd., all the groups had a short section together after the factory visit when they were able to ask questions of the General Manager. On all the other visits the question sessions were held in the three functional groups. Thus each group was able to ask questions of the functional specialist and in some cases actually see some aspects of the functional management.

After all the factory visits time was allowed for the participants, in their functional groups, to agree on their findings and comments about the management they had seen. They chose a spokesman who then, in turn, reported to the whole group and a lively discussion then followed.

For one visit, the groups were given a specific exercise, i.e. they had to determine, within their own functional area, and for the management of the factory visited,

1. Three planning assumptions for 1984
2. Three policies that they believed to be relevant to the business and which should be followed
3. Three strategies that the organisation should follow
4. One Corporate Objective for 1984 (or longer) in their functional area
5. One Financial Objective for 1984.

A member of each group reported back, in plenary session. The answers were excellent and showed that the participants clearly understood the meaning for a management of policies, planning assumptions, objectives and strategies.

These four days spent in the Factory visits proved to be very valuable. The participants learned a great deal by the visits and by asking questions of the management. After the visits lively discussions took place, participants had to express their views, they were able to see where considerable improvements could be made, they could relate what they had learned in the classroom to an actual management situation, and they had an excellent cohesive effect in producing a fine group spirit among all the participants. It was during the excellent discussion after the first factory visit that the Team Leader was able to confirm that the seminar participants had

become a good working group, and that the seminar had "taken off" and would be a success. This view was also expressed by both other consultants after this excellent factory visit discussion.

E. Hand-Out Notes

A considerable number of notes, covering in depth various aspects of the subjects of the lectures were handed out during the seminar. A full list of these hand-out notes is attached at Annexe IX.

H. Administrative Arrangements

The classroom and teaching facilities were adequate, but not excellent. Only one small blackboard was available and no flip charts. An overhead projector was available but not with a roll of transparent material, and there were no facilities for making any transparencies. The classroom became very hot and only one of the overhead fans was working. The typing and duplicating facilities available for the preparation of hand-outs were inadequate and the results of poor quality, despite the excellent hard work put in by the typist.

The Presidents' Citizenship College provided a welcome cocktail party for the participants and UNIDO Consultants. This was enjoyable and much appreciated.

J. The Business Game

Mr. V.K.S. Menon had brought with him from India, a business management game that can be run without the use of a computer. It was decided to include it in the seminar during the last week, and after all the formal instruction and teaching had been completed.

The participants were divided into three teams, and Mr. Menon, with the other instructors present, conducted a briefing session for the participants on Monday 26th September. The business game had been typed and duplicated at the College and given to the participants on Friday, 23rd September.

The game was then run on Tuesday, September 27th with Mr. Menon in charge and the other instructors acting as umpires. The teams were in different rooms, where they made their decisions within the prescribed time. The umpires then calculated the results and con-

veyed this information back to the teams. The results in terms of cash flow, profitability, growth or decline of assets, etc., had then to be worked out by the teams, and further decisions made. Each period of decision-making and obtaining the results gave the position at the end of a three months period. The three teams were competing in a variable market and could make many decisions that would affect their competitive position, such as:

1. Where to concentrate the efforts of their salesmen
2. Whether to recruit more salesmen
3. Whether to invest in Research and Development
4. Whether to invest in additional productive facilities
5. Whether to advertise, and if so, in which markets and to what extent

The game was run for four quarters and then the comparative positions of the teams were worked out and evaluated. Mr. Menon drew comparative graphs of each team's performance in terms of profitability and growth/decline of assets.

The final session of the day was taken up by a general discussion and feedback on the game and the performance of the teams.

All the participants agreed that the use of the business game was valuable to them and they expressed the wish that more time could have been devoted to it. They would like to have continued for the equivalent of two more years trading, and to apply the lessons learnt from the first run of the game. However time did not permit this.

The view of the three instructors was that the performance of the teams had been inadequate. It appeared that:

- (a) they had not prepared well enough, i.e. they had not become fully familiar with the rules of the game. As a result they had to stop and refer to the typed script of the game before they could make decisions, and so valuable time was wasted.
- (b) they were not confident and quick at completing the financial record sheet showing the results of the previous quarter's trading. Thus they did not always have the financial information available when the decisions for the next quarter had to be taken

- (c) the groups did not make decisions, it appeared, as a result of any coherent logic, nor did they appear to allocate responsibilities to their members for specific functions

However, on the positive side they did:

- (d) clarify the aims of their organisation
- (e) make the decisions on time

In general it was agreed that the running of this business game enhanced the seminar and the participants agreed it helped them relate the seminar content and training to the needs of making business decisions. Thanks are due to Mr. Menon for his forethought in bringing this business game with him.

K. Final Discussions and Feedback

Three sessions were allocated for the final discussions and feedback on Thursday, September 29th. Mr. Menon had had to leave before this session, but Mr. Nanjundan, who had just arrived to attend the seminar, was fortunately able to be at this session together with the Team Leader and Finance Consultant, Mr. R. Slejfir.

In order to ensure that good feedback was obtained from the participants, the Team Leader wrote the following six questions on the blackboard the evening before the feedback session:

1. How important is Management to Zambia?
2. What Management Training is required in Zambia?
3. Was the content of the seminar suitable for Zambia and for your management level?
4. What changes would you recommend for any future seminars?
5. How useful were the Factory visits?
6. How well managed were the factories visited?

The participants were given the first session of the morning of 29th September to consider these questions, and to consider any other matters they wished to raise during the feedback discussion sessions. Two sessions, i.e. three hours, were taken up by this feedback discussion which proved very successful. Most of the participants spoke and generally a clear consensus was reached in answer to four of the above questions. These consensus views were:

1. Management, and the need to improve it, is essential for Zambia

3. Yes, the seminar content was suited, both to the needs of Zambia, and to the level of the participants
5. Yes, the factory visits were very useful indeed
6. The management of the factories visited were trying their best, in difficult circumstances, but that improvements could be made in all of them.

On the question of what management training is required in Zambia, there was unanimous agreement that the seminar just concluding should be given again next year, and possibly for a number of years. There were various other ideas put forward about what training in management should be given in Zambia, and it was agreed that as well as a general management seminar, seminars in each of the functional areas were needed. It appeared that training in personnel management had to have the highest priority among the functional subjects.

Various suggestions, but they tended to be only of a minor nature, were put forward as to how the seminar could be improved if it were run again. Most participants concentrated on comments that the administrative and living arrangements at the College should be improved. As the suggestions for improvement are contained in the answers given on the Seminar Evaluation form, they will be recorded in the later section of this Report dealing with this evaluation.

The high standard of the feedback from the participants was noteworthy. Most expressed their views, often with clarity and conviction and the sessions and the feedback from the participants confirmed strongly that the seminar had been highly successful.

L. Closing Ceremony

The closing ceremony took place on the morning of Friday, September 30th. It was attended by the Principal and Deputy Principal of the College, by Mr. Nanjundan, UNIDO, by the Team Leader, Richard Cullen, Mr. Mubanga, Ministry of Commerce and Industry and Dr. R. Dolcjewski, UNIDO.

A speech of thanks and farewell was made by the Team Leader and then by Mr. Nanjundan who spoke on behalf of UNIDO. Then a speech of thanks was made by Mr. K. Mwila, General Manager of the Kapiri Glass Works, and a participant of the seminar. The speeches were recorded by Zambian Radio and it is understood that they were to be broadcast the following week. Thus, at about 10.00 a.m. on Friday, 30th

September, this UNIDO seminar for Senior Managers in Zambia, the Industrial Management Development Seminar, was concluded.

V EVALUATION OF THE SEMINAR BY THE PARTICIPANTS

An evaluation form was designed by the Team Leader, and typed and duplicated at the College. The participants were asked to complete it at the end of the Seminar. They completed the form anonomously so that they would not be inhibited from making adverse comments should they wish to.

Eighteen questions were asked on the evaluation form, and for the first eleven of these, the participants were asked to mark a score based on the following scale:

| | |
|-------------|-------------------------------------|
| 1 - 2 marks | very poor/much below expectation |
| 3 - 4 " | poor /below expectations |
| 5 - 6 " | satisfactory / up to expectations |
| 7 - 8 " | good / above expectations |
| 9 - 10 " | excellent / well above expectations |

Nineteen evaluations forms were completed, and the complete analysis is attached at Annexe X. The most important results were as follows:

| | Av. Mark |
|---|----------|
| 1. How well was the seminar suited to your needs? | 6.45 |
| 2. How well was the seminar suited to the needs of Zambia? | 7.24 |
| 3. How much do you think you learned? | 5.86 |
| 4. How did you find the contribution of other participants? | 6.34 |
| 5. How were the classroom facilities? | 5.29 |
| 6. How was the accommodation? | 4.16 |
| 7. How were the other administrative arrangements? | 4.08 |

Eleven participants thought the seminar was too short, two thought it was too long, and six that it was about the right duration.

A total of twenty-six points were mentioned in reply to the question 'How could the seminar be improved?' Better administration was noted five times, more than any other, as a total of sixteen different suggestions were made. They are all recorded in Annexe X.

In reply to which subjects did you find most useful, General Management (including Personnel) subjects were mentioned twenty-three times, Productions subjects, seventeen times and Financial subjects, nine times.

All the individual comments of the participants in answer to question 18 'Any Other comments you wish to make' are recorded in Annexe X.

VI RECOMMENDATIONS

Before any specific recommendations can be put forward, the information and bases on which these recommendations are made must be recorded. They are as follows:

- (a) No time was available in Zambia to investigate the present situation with relation to the management training courses, seminars, or facilities that are available.
- (b) The only meetings with Government Officials from which any information could be obtained were (i) with the Deputy Under-Secretary to the Ministry of Commerce and Industry, Mr. Mufwaya, from 0940 to 1005 on Monday, September 12th, and (ii) with Mr. Mubanga, the liason officer, at the Seminar from the Ministry of Industry and Commerce, and during the whole period of the seminar.
- (c) Some information about the present level of management, and management training was obtained from (i) the factory visits, and (ii) the seminar participants.
- (d) Further information about the Management Training needs in Zambia were obtained from the participants from (i) the feedback/discussion sessions at the end of the seminar, and in answer to the specific questions asked, and (ii) the seminar evaluation forms compiled by the participants.

It is considered that this information is insufficient to put forward many recommendations with a high level of confidence. As a result, the first recommendation must be:

1. That a thorough investigation should be carried out in Zambia of the present management training courses, seminars and facilities.

2. That a Training Needs Analysis should be made of a sample of Zambian managers, sufficient in size to give a sound overall understanding of their training needs.
3. That, as a result of such investigations, detailed recommendations should be made as to what action should be taken, and by whom, to develop the most suitable management training courses, seminars, etc., and the most suitable management training organisations and facilities to meet the needs of Zambia for the next five years.

However, within the limitations of information available, the following recommendations can be made:

4. A similar top Industrial Management Seminar should be conducted by UNIDO in 1984. The exact syllabus and time table should be determined and communicated to the UNIDO Consultants well in advance to enable them to prepare adequately. Also the intended participants should be notified well in advance, and it should be for senior management personnel only.
5. A seminar of about two weeks duration on all aspects of Personnel Management should be mounted in Zambia in 1984, for General Managers and Chief Personnel Officers.
6. A Management Institute should be formed in Zambia as soon as possible to promote an understanding of and develop training in Management. Such an Institute should, it is considered, be independent of, but encouraged by, the Government of Zambia.
7. The Institute of Management should seek and obtain such International assistance as is possible, and should run a series of short specialised management training courses, for Zambian managers.
8. UNIDO should arrange, probably through and by the UNIDO representative in Zambia, a follow-up visit to each of the participants of this seminar in six months time. At this interview, an attempt should be made to assess the benefits derived from attendance at the seminar. In particular, the answers should be sought to the questions asked of each participant
 - (a) What are you doing differently, and better, now, as a result of your attendance at the Seminar?
 - (b) In what ways have you been able to improve the management of either the organisation, or other people who work in it, as a result of your attending the seminar in 1983?

VII ACHIEVEMENT OF IMMEDIATE OBJECTIVES

The three immediate objectives of the project are recorded in subsection II B of this Report. In each of these a phrase is used that links Consultancy and Industrial Management.

A. Exclusion of Consultancy

In the seminar itself only a little time could be devoted to explaining how management consultancy could assist in improving management in Zambia. However, from the visits to the factories it was clear that sound management consultancy could affect substantial improvements in the management. However, it was also concluded that most parastatal managements in Zambia would, at this stage in their development, find it difficult to make good use of management consultants. It would also be difficult at present for any management consultants to be highly successful as the level of understanding of good management and the way to use consultants is not of a sufficiently high level. So it is considered that the immediate objectives must be considered as if the word consultancy had not been added to Industrial Management.

B. Level of Achievement Attained

With this proviso, the first two of the immediate objectives were completely achieved. The third objective was achieved within the limitations of the time to investigate and make, as a result, more detailed recommendations.

C. Possible future development of a Management Consultancy Capability in Zambia

It is felt that this is an appropriate place to put forward some ideas, very generalised at this stage, as to how consultancy might be used to improve management in Zambia in the future.

It is considered that if a Management Institute were formed in Zambia, its first tasks would be to organise the managers and develop a wide range of Training Courses, mostly short, to improve the management knowledge and skills of the existing managers. However, such training has a number of weaknesses. One is that the managers, going back to the same environment, may not be able to introduce the improved management they have learned. Also there is a danger that

the instructors of such a training institute become far too academic and too far removed from the day-to-day problems of the managers. Both these potential weaknesses, and others, can be overcome, if, after such an institution has been in existence for from about two to three years, it receives the necessary input to train the instructors in Consultancy knowledge and skills so that they can gradually undertake consultancy as well as training. This will probably require a considerable input of foreign training in Consultancy skills but it would result in the Institute having the capability of doing both training and consultancy. Its training and assistance would, as a result, remain essentially practical, and would contribute much more to the development of management in Zambia, than if it provided only management training courses. The Team Leader has been associated with this type of institutional development in two different countries, and in both it has been a great success and has, and is, contributing substantially to the improvement of the standard of management throughout these countries.

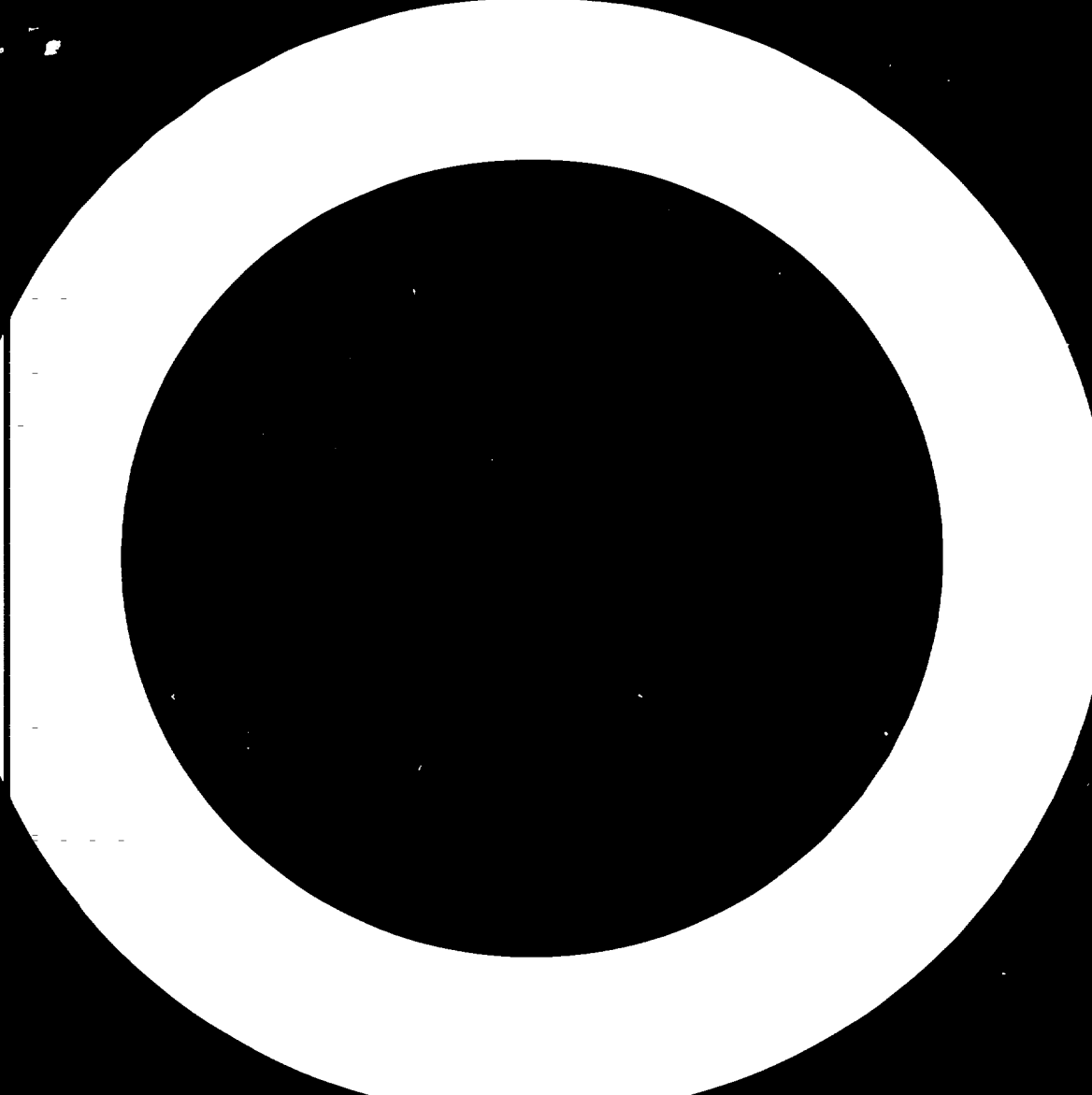
VIII CONCLUSION

The Team Leader would like to express on behalf of all the three team members, our thanks to UNIDO and to the Government of Zambia for making it possible for us to undertake this very interesting assignment.

Our thanks are also due to the UNDP office in Lusaka and the officials of the Zambian Ministry of Commerce and Industry who were all of such great assistance to us in carrying out this project. Without their unfailing help, the success it achieved would not have been possible.

It is hoped that some further action can be taken and based on the recommendations contained in this Report. Such action, added to the results achieved as a result of providing this Senior Industrial Management Development Seminar would, we are confident, assist considerably in the future economic development of Zambia.

Richard C. Cullen
Consultant/Team Leader
UNIDO Special Project
Expert
Zambia September 1983





UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

UNIDO

REQUEST FROM THE GOVERNMENT OF ZAMBIA

JOB DESCRIPTION

RP/LAM/82/003/11-01/31.4.3

Post title Consultant in General Management/Team Leader

Duration Three Weeks

Date required March 1983

Duty station Kabwe with possible travel within the country.

Purpose of project: To contribute to the enhancement and understanding of the crucial role of industrial management for the development of industrial sector in Zambia with a view to intensify national efforts of strengthening managerial and consultancy capabilities at the institutional, /enterprise and factory level.

Duties

The consultant will visit, together with 2 other high-level international management consultants specialised in specific aspects of industrial management, the Republic of Zambia. Under the Guidance of the President's College, he will be expected to co-ordinate the visit of the entire team, the implementation of the various activity and be responsible for the preparation of the final report. Specifically he will be expected to:-

1. Deliver the following specific lectures and conduct the ensuing seminar discussions:-
 - a) General Aspect of Industrial Management - tasks, responsibilities and practices, making special references to problems in developing countries.
 - b) Modern Concepts of Management Development.
 - c) Concepts of Personnel Management and Motivation.
 - d) Long Range Planning and Business Strategy with effective management techniques.
2. Give other lectures, if so requested, in line with personal background and experience.

.....

Applications and communications regarding this Job Description should be sent to:
 Project Personnel Recruitment Section, Industrial Operations Division
 UNIDO, VIENNA INTERNATIONAL CENTRE, P.O. Box 200, Vienna, Austria

3. Visit industrial enterprises and factories, as organized by the Government to study and assess industrial management practices and related problems.
4. Develop and formulate appropriate concepts for accelerating management development methods as applicable to the requirements of Zambia's industrial sector.
5. Take a leading role in the final discussions with Government officials and coordinate the preparation of the draft of the final report in the field incorporating the inputs of the other consultants and participants.
6. The expert will also be expected to prepare a final report, setting out the findings of his mission and his recommendations to the Government on further action which might be taken.

Qualifications Degree in Economics, Business Administration or equivalent and experience in industrial management or management consultancy activities at the top executive level. Extensive experience in management consultancy, industrial management and management development, as required. Managerial teaching experience required.

Language ENGLISH

Background information One of the major bottlenecks in industrial development in Zambia is the extreme shortage of national staff with the desirable skill in industrial management, and the fact that this situation has been worsened by general lack of awareness of this field's importance. Consequently many of the industrial enterprises in Zambia which are predominantly in the public sector have experienced low capacity utilization and productivity. The inadequacy of management capability has also aggravated effect on other problems being faced by the industry such as transportation, and shortage of foreign exchange, etc.

Certain sources for the development of management in general do exist in the country, but these appear to be rather fragmented and lacking in co-ordination. They are short of manpower and facilities, and their efforts sometimes overlap.

The Government has now realized that there is an urgent need to foster awareness for the crucial role of effective management in industrial development. With this in view, the Government has encouraged national institutions to take more positive steps to improve their operational performance and efficiency through bringing about more contacts among themselves so that they could exchange their views and experience. It is considered that holding seminars on the subject matter would be an effective instrument in achieving this objective. Views and experiences exchanged in seminars could have catalytic as well as multiplier effects in the understanding and proper application of industrial management. Aware of this, the Government of Zambia has shown keen interest in seeking the technical co-operation of UNIDO.

INDUSTRIAL MANAGEMENT DEVELOPMENT SEMINAR

PCC - KABWE/MULUNGUSHI, 12TH-30TH SEPTEMBER, 1983

T I M E S C H E D U L E

| Time | 1st Week | | | | | 2nd week | | | | | 3rd week | | | | |
|--------|--------------|------------|-------------|---------------------|-------------|------------|------------|-------------|---------------|-------------|------------|------------|-------------|------------|-------------|
| | NO 12/9 | TU 13/9 | WED 14/9 | TH 15/9 | FRI 16/9 | NO 19/9 | TU 20/9 | WED 21/9 | TH 22/9 | FRI 23/9 | NO 26/9 | TU 27/9 | WED 28/9 | TH 29/9 | FRI 30/9 |
| 8:45 | | A1 | A3 | | A5 | A7 | | B1 | FACTORY VISIT | D3 | B5 | B7 | | General | |
| -10:30 | REGISTRATION | | | T E A B R E A K | | | | | | | | | | | |
| 10:45- | | A1 | A3 | | A5 | A7 | | B1 | FACTORY VISIT | B3 | B5 | B7 | | Dis- | |
| -12:15 | | | | L U N C H B R E A K | | | | | | | | | | | cus- |
| | | | | | | | | | | | | | | sion | |
| 14:00- | REGISTRATION | A2 | A4 | | A6 | A8 | | B2 | FACTORY VISIT | B4 | B6 | B8 | | On | |
| -15:30 | | | | T E A B R E A K | | | | | | | | | | | Main |
| | | | | | | | | | | | | | | | |
| 15:45- | REGISTRATION | A2 | A4 | | A6 | A8 | | B2 | FACTORY VISIT | B4 | B6 | B8 | | Pro- | |
| -17:45 | | | | T E A B R E A K | | | | | | | | | | | blems |

M

APPROVED

M.X. Mufwaya
for/PERMANENT SECRETARY
MINISTRY OF COMMERCE AND
INDUSTRY

Lusaka, 24th August, 1983

ANNEX 11

INFORMATION ON THE UNIDO SEMINAR ON INDUSTRIAL MANAGEMENT DEVELOPMENT
to be held at the President's Citizenship College, Kabwe/Mulungushi
from 12th to 30th September, 1983

AIM OF THE SEMINAR

The seminar is aimed at top level industrial managers and Government decision makers to make them aware of the tasks and responsibilities facing industrial managers and of the underlying issues and modern management methods involved. The seminar is not meant to be a "skill-improving" exercise in the traditional training sense, although a certain degree of high level management skill development will surely result.

PARTICIPANTS

- High level Government officials in charge of directing and controlling industrial enterprises and their deputies, general managers, directors, presidents of industrial corporations and enterprises and their deputies, personnel managers, marketing and sales managers;
- Plant and factory managers, production managers and their deputies, selected high level and important production department managers (e.g. maintenance, quality control) selected for future promotion;
- High level Government officials in charge of financial and public sector industries monitoring departments and their deputies, financial, accounting and management information systems directors and managers and their deputies.

In order to attain the desirable impact it is essential that the participants attend the entire seminar without any interruptions. The number of participants is limited to 60.

PROGRAMME OF THE SEMINAR

A. GENERAL ASPECT OF INDUSTRIAL MANAGEMENT - INTRODUCTION AND REVIEW

(8 formal lecture topics, each scheduled for half day)

- A1. Organisation of industrial enterprises and of management tasks, functions and responsibilities
- A2. General aspects of production management
- A3. General aspects of financial management and of industrial accounting practices. - Financial and Management (Cost) Accounting
- A4. The sales, marketing and distribution functions and their management
- A5. Personnel management and motivation
- A6. Management information systems - application of computers in industrial management
- A7. Innovation and the organisation and management of industrial technology development and support (i.e. R and D)
- A8. Industrial management and management development in the developing countries - problematic and some fundamental considerations

BI. ISSUES OF MAIN CONCEPT TO THE GENERAL MANAGER

(6 formal lecture topics, each scheduled for half day but some possibly full day; also to allow time for additional topics to be covered)

- 1. Business strategy
- 2. Long-range planning
- 3. Management development, personnel, motivation
- 4. Marketing and innovation
- 5. Industrial distribution systems - integrated materials management
- 6. Utilizing the services of consultants and technological institutions

B II. PRODUCTION MANAGEMENT

(3 formal lecture topics, each scheduled for half day)

1. The production system - planning and organisation
2. Industrial Engineering - plant layout, materials flow and handling - energy management
3. Materials management and inventory control
4. Production planning and control
5. Maintenance and maintenance management
6. Quality control - organisation and management
7. Production personnel management and training
8. Production cost control and the application of computers in production management

B III. INDUSTRIAL FINANCIAL MANAGEMENT, ACCOUNTING AND MANAGEMENT INFORMATION SYSTEMS

(8 formal lecture topics, each scheduled for half day)

1. Management of Financial Resources
2. Financial Accounting
3. Industrial Cost Accounting
4. Examples of Cost Accounting methods and Practices
5. Standard Costing and Budgetary Control
6. Financial Planning
7. Management Information Systems - Application of Computers for management control and decision making
8. Selection, Installation and Operation of Computers for management Information and Data Processing purposes

For part B of the lectures participants will be divided into three groups according to their subjects of interest.

C. VISITS TO FACTORIES AND ENTERPRISES AND DISCUSSIONS WITH THEIR MANAGERS

Factories located in Kabwe, Kapiri Mposhi, Lusaka and Ndola will be visited and discussions with their management on main problems found carried out (participants divided into smaller groups)

ORGANISATIONAL ASPECTS OF THE SEMINAR

1. The seminar is to be held in the premises of the President Citizenship College, Kabwe/Mulungushi.
2. The organisers are:
 - United Nations Industrial Development Organisation, Vienna
 - Ministry of Commerce and Industry, Lusaka
 - Zambia Industrial and Mining Corporation Ltd (ZIMCO), Lusaka
 - Zambia Industrial and Commerce Association
3. The lectures will be conducted and discussions led by 3 international recruited experienced UNIDO experts.
4. The participants shall be nominated by the parastatal and private companies' management from within their senior management staff and by the Government Ministries concerned from within their senior level professional staff.
5. The fee for participation in the seminar amounting to K300.00 covers the costs of accommodation, meals, transport for factory visits and other miscellaneous costs. The fee is to be paid by the companies and ministries concerned after being debited by ZIMCO. (The fee does not include transport costs to and from the President Citizenship College.

6. The participants should arrive at the President,s Citizenship College, Kabwe, Mulungushi on 12th September, 1983 and be ready to participate without any interruption in all lectures, discussions and factory visits as provided in the programme until the end of the seminar on the 29th September, 1983. Departure of the participants is scheduled for the 30th September, 1983.

7. Because of limited number of participants, the participants accepted will receive from the President,s Citizenship College Principal confirmation of their nomination to participate in the Seminar.

8. All questions regarding the Seminar shall be directed to.

1. The National Co-ordinator of the UNIDO-Seminar

Mr. C.G.L. Mubanga, Ministry of Commerce and Industry,
Lusaka, P.O.Box 31968 - Phone 21-37-67 Ext. 238

2. Mr. K.L. Silumeshii - Executive Assistant, Administration,
ZIMCO, Lusaka, P.O.Box 30090 - Phone 21-24-87 or 21-54-98

3. Mr. A. Samuchapi, Zambia Industry and Commerce Association,
Lusaka, Show Grounds - Chief Executive.

9. The last date for submission of applications for participation in the Seminar is 25th of August, 1983.

INDUSTRIAL MANAGEMENT DEVELOPMENT SEMINARP.C.C. - KASWE/MULUNGUSHI, 12TH - 30TH SEPTEMBER, 1983LIST OF PARTICIPANTS - BY SECTIONS

| NAME | ORGANISATION |
|-------------------|-------------------------------|
| A. Chula | U B Z, Division Manager |
| I.D. Imasiku | U.B.Z. Division Manager |
| F.M. Ntalasha | Z.R., Regional Manager |
| F.B. Mukansu | Z.R., Regional Manager |
| Mr. Mutale | Z.R., Regional Manager |
| A.C. Mukuba | P.T.C. Personnel Manager |
| J.M. Nyambanza | PTC, Cont. Pers. & A.O. |
| C.D. Cisupa | P.T.C., Personnel Manager |
| W. Chipwende | Z.S.I.C., Ass Gen. Manager |
| A.C.M. Mubanga | P.C.C. Assistant Tutor |
| J. Hamuka | ZESCO, Project Engineer |
| L. Kangwa (Ms) | R.D.C., Prod., Superintendent |
| Mr. Liyayo | N.C.Z. Technical Manager |
| F. Sikazwe | Luagwa Ind. Gen. Man. |
| P.L. Phiri | Mansa Batteries, Gen. Man. |
| R. Kasuba | Kabwe Ind. Fabrics, Gen. Man. |
| G. Simukoko | Indeco, Man. Corp. Plan |
| K. Mwila | Kapiri Glass Prod., G.M. |
| C.B. Chimanja | ROP, Gen. Manager |
| J. Lupunga | Agroindustries, Manager |
| Mr. Hansombo | Z. Brew., Brew Manager |
| L.G.C. Nyirenda | U B Z., Adm. Manager |
| E.C. Yumbo | ZIMCO Prop., Adm. Officer |
| M.P. Mwiinga (Ms) | ZIMCO Prop., Acc. |
| Mr. Silumesii | ZNBS, Mortgage Manager |
| E.N. Mumba | RDC, Adm. Officer Gen. |
| A.A. Chipasha | RDC, Credit Controller |
| J.J. Sikazwe | BP, ZAMBIA |
| M.M. Kabwe | BP, ZAMBIA |
| M.R. Mwanza | BP ZAMBIA |

| NAME | ORGANISATION |
|----------------------|---------------------------------|
| W. Sambwe | ZSBC, Ass. Reg. Manager |
| R. Wilikonde (Ms) | NM, Purchase Manager |
| T.R. Mwikio | Import Controller (NIEC) |
| Mr. H Jonannes Kunda | Operations Manager (NIEC) |
| Miss Jane Chikambe | NIEC - Quality Controller |
| Mr. W. Sambwa | NIEC - Regional Manager, Asst |
| Mr. M. Malisawa | NIEC - Area Manager |
| Mr. Victor Luo | NIEC - Area Manager |
| Mr. E. Kwendeni. | NIEC - Asst. Operations Manager |

LIST OF PARTICIPANTS

| <u>NAME</u> | <u>ORGANISATION</u> | <u>TITLE</u> |
|-------------------|-----------------------|---------------------------------|
| A. Chula | U.B.Z. | Division Manager |
| A.C.N. Mubanga | P.C.C. | Assistant Tutor |
| J. Hanuka | ZESCO | Project Manager |
| L. Kangwa (Ms) | R.D.C. | Production Superintendent |
| P.L. Phiri | Mansa Batteries | General Manager |
| R. Kasuba | Kabwe Industrial Fab. | General Manager |
| K. Mwila | Kapiri Glass Products | General Manager |
| E.C. Yumbe | Zimco Properties | Adm. Officer |
| M.P. Mwiinga (Ms) | " " | Accountant |
| A.A. Chipasha | R.D.C. | Credit Controller |
| E.N. Mumba | R.D.C. | Admn. Officer Gen. |
| J.J. Sikazwe | B.P. (Z) | Area Sales Manager |
| N.M. Kabwe | B.P. (Z) | Area Sales Manager |
| M.R. Mwanza | B.P. (Z) | Manpower Development Manager |
| F.M. Kambobe | N,C,Z, | Production Manager |
| S. Lisimba | N,I.E.C. | Business Development Manager |
| H.J. Kunda | N.I.E.C. | Operations Manager |
| J. Chikambe (Ms) | ZAMHORT | Quality Controller |
| M. Malisawa | Z.N.W.M.C. | Area Manager |
| V. Luo | Z.N.W.M.C. | Area Manager |
| A.R. Masuka | Anderson Security | General Manager |
| W. Sambwa | Z.C.B.C. | Assistant Regional Manager |

SUBJECT SYNOPSIS OF SESSIONS GIVEN
BY THE CONSULTANT GENERAL MANAGEMENT/ TEAM LEADER

Tuesday 13th September. Lecture/Discussion General Management
What is Management? Definitions of Management, agreement on
what constitutes management. The process of Management i.e.
Forecasting, Planning, Organising, Leading, Motivating and
Directing and Controlling. Explanation of these processes.

Wednesday 14th September. Lecture/Discussion
Organisation Structure, the framework of management, the need
for a sound organisation structure, how an organisation works,
definitions of authority and responsibility, understanding of
the types of authority i.e. Line or Direct, Functional and Staff,
allocation of tasks, duties and responsibilities, Management Job
Description

Wednesday 14th September. Lecture/Discussion, General Management
Recent changes in Management, Need to identify and clarify
Corporate and Manager Results, Use of Results Guides instead of
Job Descriptions. Principles of a sound Organisation Structure,
some frequent mistakes e.g. mixing functions with organisational
positions, explanation of use of deputy position, etc.

Wednesday 14th September. Lecture/Discussion
Functions of top management, Clarification of Business Area,
Need for Corporate objectives, difficulties of determination of
objectives, Aims of a business, difference between aims and
objectives, Policies, Policy formulation, Policy Manual.

Friday 16th September. Lecture/Discussion, General Management
Concept of Results Areas of a business. Primary Results Areas,
Key Results Areas, Drucker's work, and his list of Key Results
Areas, businesses and a non-profit organisation. Setting
Objectives in each Primary Key Result Area, How objectives are
set, Examples of Corporate Objectives, Characteristics of good
objectives, must be verifiable, Explanation of the S.W.O.T.
analysis, How a SWOT Task Force is set up, examples of benefits
from SWOT analysis.

Monday 19th September. General Management, Lecture/Discussion and Exercise. Changes in the environment, changes in management, rate of change accelerating, need for management to plan to meet change, Corporate Long Range Planning, four-stage approach, the Position Audit, linked with the S.W.O.T. analysis, development of plans, Manning assumptions, types of plans, integration of plans and objectives, Strategies, meaning of and use of, Exercise given in Aims, Objectives and Policies.

Wednesday 21st September. General Management. Reporting back on the exercise, then Lecture/discussion, discussion on the answers to the exercise, need for definition of Primary Key Results Areas, difficulty for managers to determine their part in achievement of Corporate objectives, so development of a Key Results Hierarchy, examples of Key Results Hierarchies, Exercise in Key Results Hierarchy.

Wednesday 21st September. Marketing - Lecture/discussion
Marketing Management - definition, need for marketing, Marketing in developing Countries, Total activities of marketing (Chart of these), Marketing information, Type of Marketing information required, internal sources of marketing information, Desk research for marketing information, Market Research, Marketing forecasts, marketing planning assumptions, marketing objectives, characteristics of good objectives, marketing strategies and plans, Advertising, Sales Promotion, Pricing, Distribution, Sales and Selling operations, After-sales Service, Marketing Effectiveness analysis.

Friday 23rd September. General Management, Exercise feedback discussion/lecture
Reporting back on Key Results Hierarchy Exercise, discussion, Matrix of Key Results Areas and most senior managers, Preparing Annual Plans, use of Short Range Improvement Plans, value of these, examples, Contingency Plans, Rolling Plans, Integration of Plans and Objectives, Responsibility for Planning, Control and Review, feedback information, basis of the Management Information system.

Friday 23rd September. Personnel Management, Lecture/Discussion
Definition of Personnel Management, its duality, responsibility

Friday 23rd September (Continued)

of the Line manager for the personnel aspects of his work, functions and activities of the Personnel department, Conditions of employment, Employment activities e.g. selection, recruitment, induction, etc., Training, Education and Manager Development, Welfare and Social services, Industrial Relations and Communications, Working Conditions, Safety and Security, Job evaluation, methods, uses, value, Training and Development, need for Training Needs Analysis, Methods of Training and development, problems of Training, e.g. "re-entry problem", Motivation in management, Hawthorne experiment, results, Human relations movement, Modern Behavioural Scientists work, Maslow's Hierarchy of Human Needs, McGregors Theory X and Theory Y, Herzlberg's two-factor theory of motivation, Leadership.

Friday 23rd September. two sessions - Personnel Group only - discussion of individual questions on personnel management. Job Evaluation explained in more detail, Motivation discussed, Leadership discussed, First Line supervisors and Trades Union membership, Recruiting Staff in a rural area, training staff, how to keep trained staff, how to train, but not over-train, i.e. use T.N.A., Job Descriptions and Job Results Guides.

Monday 26th September. General Management, Lecture/discussion Defining the Manager's Job, objectives for the individual manager, need for agreement of objectives, otherwise motivation wrong, action where disagreement, the Managers Key Tasks, level of performance, leading to his Objectives, Control data, sources, Examples, the Managers Information system, Managers Action Plans, Inputs to Action Plan and Results Guide from Annual Plan, Long Range Plans, S.R.I.P.'s and Policies, Performance Review, need for every 3/4 months, difference between this and appraisal, value of performance review, especially for training needs and management development, Examples of Managers objectives, Annual updating of Objectives, all Plans and Managers Results Guide, Value of this system of Effective Corporate Management.

UNDP PROGRAMME ON INDUSTRIAL MANAGEMENTSEPTEMBER 12TH TO 30TH ZAMBIAPRODUCTION MANAGEMENTSESSION WISE DETAILS OF COVERAGE OF SUBJECTSSESSION I PLENARY - PRODUCTION MANAGEMENT-GENERAL

- * Importance of Production Management in a Developing Economy - Position of Production Management in the organisation - organisational problems and conflict.
- * Production Management Areas - General introduction with examples covering.
 - * Facilities Planning
 - * Process Planning
 - * Production Planning and Control
 - * Materials Planning and Inventory Control
 - * Maintenance Management
 - * Quality, Reliability and Standardization
 - * Workstudy, Industrial Engineering and Manpower Planning.
 - * Wage Incentives, Suggestion Schemes and other productivity improvement techniques.
 - * Cost Reduction - Importance in a Developing Economy value engineering methods study and cost reduction techniques.
 - * Management of Conflicts in Production
 - * Growth Planning for the Company and men
 - * Role of a Production Manager/Supervisor
 - * Information System and Control Procedures
 - * Use of Operations Research and Computers in Production Management Areas.

HAND OUT = PLANNING PRODUCTION FUNCTION

SESSION 2 PLENARY - FACILITIES PLANNING/PROCESS PLANNING/PRODUCTION PLANNING
GENERAL

SESSION 3 PLENARY - PRODUCTION PLANNING (CONT'D) MATERIALS
MANAGEMENT AND INVENTORY CONTROL

* PRODUCTION PLANNING (CONTINUED)

Change in Planning Systems for Job order company, Batch Production, continuous process and Mass production

- . companies - preplanning vs production planning - Tools Jigs and Fixtures planning - progress reports, analysis - use of Data Processing for progressing (introduction) .

* Materials Management and Inventory Control

Aims of materials Management - 3 main aims and 6 secondary aims:- Materials, management problems in industries due to foreign exchange restraints -

Detailed coverage of Inventory control covering.

- * A.B.C. Analysis and its use
- * Inventory Model - Minimum Stock, Maximum stock, Economic order quantity, Procurement Lead time etc - Zero inventory concept.
- * Inventory control of Raw Materials, work in process, finished goods etc.
- * Purchase policy and special conditions regarding quality, quantity, price escalation, patent, etc.
- * Stores Accounting Procedure - Goods Receipt Note, Bin Cards, Stock Ledger etc.
- * Inventory analysis and disposal of old and unservicable stock.

HANDOUT : INVENTORY CONTROL

SESSION 4 : PLENARY : MAINTENANCE MANAGEMENT-QUALITY CONTROL AND STANDARDS-MANAGEMENT OF CONFLICTS

• MAINTENANCE MANAGEMENT

- Breakdown Maintenance Vs Preventive Maintenance
Importance of maintenance to industries with imported equipments.
- Elements of a Preventive Maintenance Programme including:
 - Equipment Records • Effective lubrication
 - Maintenance Check list • Maintenance Schedules
 - Spare parts management • Standardization of equipment and spares • Maintenance cost control
 - Equipment replacement • Maintenance prevention - Latest Approaches like unit replacement permanent lubricated bearings, etc.

• QUALITY, RELIABILITY & STANDARDIZATION

- Inspection and quality control - quality vs reliability = standardization
- Elements of a quality Reliability Programme **namely** - design - development testing - specifications process capability - manufacturing under control - Inspection - Customer training - Service engineering - Standardization.
- Standards for products, manufacturing methods and process, inspection and testing standards specification for products.

• MANAGEMENT OF CONFLICTS -

Production vs Quality - Maintenance Vs Production - Safety Vs Production etc

HANDOUTS : 1. PREVENTIVE MAINTENANCE

2. QUALITY, RELIABILITY AND STANDARDIZATION

SESSIONS 5 & 6 PLENARY : PRODUCTION AND PART OF
GENERAL MANAGEMENT GROUP
TOGETHER

1. Cases in Production Management
2. Case in Materials Management
3. Quality Control circles in Japan
4. Discussions on Subjects covered earlier
5. Production and productivity - can Japan show the way?

HANDOUTS : Case study - A B C Printing Press

1. Production Case study covering planning
Forecasting, Pricing, Capacity utilisation
and profitability.
2. Case Discussion - Inventory Management
in a Job Shop Situation giving a full
inventory control system with Data Processing
arrangement in an engineering industry.

Discussions covering facilities planning, production
Planning, capacity utilisation, materials management,
preventive maintenance, quality, reliability and
standardization.

Comments by participants - problems faced by them and
discussions on these problems and suggested approaches.

Make or buy decisions, OT vs extra shift, short
term vs long term plan. Make to stock vs make to order.
Cheaper material vs better - cost benefit analysis for
decision making.

SESSION 7 PLENARY ; MANPOWER PLANNING COST REDUCTION
WAGE INCENTIVES BUSINESS GAME
1ST INTRODUCTION

- MANPOWER PLANNING

Workstudy and manpower planning - manpower planning for production jobs, maintenance jobs, service utility jobs etc.

 - COST REDUCTION WHY, WHERE AND HOW?

Importance of reduction of cost, material wastage, labour productivity, Material handling, controls, equipment productivity, etc.

 - Wage Incentives, Suggestion Scheme, Value Analysis etc

Techniques for improving productivity and reducing costs - Brief outline only.

 - Business Game - Introduction

General introduction to Business Game
Concepts - philosophy and working rules.
- HANDOUT :
1. COST REDUCTION - WHAT? WHERE AND HOW?
2. THE BUSINESS GAME
3. YOU CAN MEASURE ANYTHING -
MEASURE YOUR DESKMANSHIP

SESSIONS 8 AND 9 PLENARY : PRODUCTION GROUP
ONLY - DISCUSSION

1. COST REDUCTION - EXAMPLES
2. MANPOWER PLANNING PROBLEMS
3. WAGE INCENTIVES EXAMPLES
4. MACHINE REPLACEMENT PROBLEMS
5. OPERATIONS RESEARCH - INTRODUCTION

SESSIONS 10, 11, 12, and 13 - ONE DAY

BUSINESS GAME
COVERING ALL ASPECTS
OF MANAGEMENT

- Handouts
1. Operations Research for Management
 2. The Business Game
 3. Problems in Production Management

V.K.S. MENON

CONTRIBUTION OF THE FINANCIAL EXPERT
TO THE FINAL REPORT OF THE CTA

Concerning: UNIDO SEMINAR ON INDUSTRIAL
MANAGEMENT DEVELOPMENT

At: President's Citizenship College,
P.O. Box 80415,
Mulungushi,
KABWE

From: 12th to 30th September, 1983

1. LECTURE

Introduction to General Aspects of Financial Management - Importance of reliable and timely data for financial controls - Importance of control ratios for General Management Control - Complexity of Financial information needed for proper management of companies.

The participants were then confronted with an example of a sole ownership business.

The business run by an outsider, a former actor, increasing remarkably well in the first years is going to face difficulties in later years through heavy competition on the house market. Citing the above example the availability of all kind of information - in particular financial information to be considered at a given point in time - was brought up.

Starting off with a simple cash balance, an inventory report, comparisons between costs for work effected by the company and substituting outside labor and its influence on the company's results was raised. Finally the participants were guided to the main reports of a company, the Income Statement or Profit and Loss Statement and the Balance Sheet. In addition basing on the above mentioned example an overall view of the importance of cost accounting has been given. The participants conclusion was drawn to the attention that:

Each transaction of any given business entity has an impact on either profitability or the cash position.

1. LECTURE

During this lecture mainly the role of cost accounting its history and its actual practice has been stressed. The mechanism of the full cost system and the standard cost system were explained in order to compare the outcomings of both systems and their impact on decisions of the General Management in view of the company's pricing policy. It is in this context that the application of computers has been mentioned to master the numerous calculations to be carried out regularly for a large number of products using for example the standard cost system.

However, assumptions, investigations and organisational problems have to be undertaken and cleared up before a computer becomes an efficient tool to speed up the elaboration of the requested informations. It was also outlined, that the use of any computer (hardware) is demanding an precise analysis of its application in the respective organisation whether a Central Processing Computer Unit with peripneric smaller input with or separate units of smaller capacity are more useful to the company's needs is to be sorted out before an equivalent hardware can be chosen.

2. LECTURE

An introduction to the specific issues of the upcoming lectures has been given. In order to provide the participants with a reasonable basic knowledge of understanding of a Balance Sheet and Income Statement basic Accounting Principle were referred to as:

- Money - The common denominator
- The business entity - Distinct from the owner
- Value equals cost
- The dual aspect principle - Assets equals Liabilities
- The accrual principle

As an exercise several bookkeeping transactions were carried out in order to prove the validity of the basic principles.

After the discussion of basic principles a sample Balance Sheet has been presented explaining its structure, the classification of assets and liabilities. principles of valuation of assets at their lower cost and of liabilities at their highest cost respectively.

4. LECTURE

The corresponding Income Statement to the aforementioned Balance Sheet has been presented and discussed in detail.

Concerning the cost of sales major issues were again the recording of the raw material flow, the valuation of work in progress and of finished goods. Outlining the relation of the Income Statement to the Balance Sheet, the participants became acquainted with the major financial ratios to be understood by top management people without a sound background in financial matters.

The ratios discussed are the following:-

- Current Ratio
- Acid-Test Ratio
- Accounts-Receiveable Collection Peribd
- Inventory Turnover
- Debt-to-Equity Ratio
- Gross-Profit Ratio
- Net-Profit Ratio
- Return on Assets
- Return on Owners' Equity

5. LECTURE

Even though this lecture was mainly diverted to the presentation of planning procedures and instruments actually used in practice, it was found that the application of funds had to be discussed again.

Through the "Use and Source of Funds Statement" and its preparation and logic the impact of management decisions was shown and underlined.

Referring to planning the participants acquainted with the assessment of a One Year Budget and the establishment of a "Five Year Plan".

While for the first one a handout including all necessary worksheets has been deeply discussed the latter has been demonstrated basing on the "Portfolio Management Study" of the "Boston International Study Group: This study is analysing the product structure of a given entity and is referring to the estimated development of the products within the five years period. Using matrices with the co-ordinates "Market Share" and products were worked out under the aspect of their cash generation, demand for further investment and profitability.

6 & 7 LECTURE

In this session the participants of the Finance Group and part of General Management Group who showed interest in the Finance area were taken to an industrial under taking where an in depth study of accounting and financial management system was conducted. The study covered:-

- Data inflow from various sections to the Finance Sector
- Cost estimation and pricing decisions
- Balance Sheet evaluation and assessment of strengths and weakness of the company
- Financial ratios for control
- Source and application of funds
- Evaluation of raw material costs/WIP and Finished.
- Financial decisions - such as inventory turnover ratios, credit policy, bad debts etc.
- Administrative costs and its control
- Future financial projections of the company.

C. LECTURE - FINANCIAL GROUP

This session carried out with the Financial Group only has been diverted to an exercise in setting up an "Application of funds statement", discussing the details of all statement items. Furthermore the Financial Group had worked on the establishment of financial ratios for an earlier visited company which were also analysed and discussed.

Finally also in view of an upcoming business game to be played the Cost-Volume-Profit-Relationship has been reviewed by defining the "marginal income" and showing the "Break-Even" analysis on a given example. The analysis made was based on the change of one simple factor leaving the other coordinates fixed respectively.

Dipl. - Kfm. Reinhard Slejfir
LUSAKA , ZAMBIA 29TH OF SEPTEMBER 1983

LIST OF HAND-OUT NOTES

I GENERAL MANAGEMENT, MARKETING AND PERSONNEL

Written and handed out by Richard Cullen

1. Top Management - Essential Tasks
2. Organisation Structure - The Framework of Management
3. Effective Corporate Management - Definitions and Explanations of all terms used
4. Marketing Management - an overview
5. Personnel Management - an overview

Then photostat copies of the following overhead projector transparencies, which were used during the lectures, were handed out:

Principles of Organisation - 1

Principles of Organisation - 2

Corporate Management - Overall Chart of activities

Key Results Areas - Drucker's original list

Example of Primary Key Results Areas for a non-profit organisation

Example of a Company's Key Results Areas - A

Example of a Company's Key Results Areas - B

Example of Corporate Objectives - Manager Performance

" " " " - Social Responsibility

" " " " - Market Share

" " " " - Cost Containment

Exercise in Policies and Objectives

Key Results Area exercise

Key Results Area exercise - possible answer

Part of a Key Results Analysis - non-profit organisation

Example of part of a Key Results Hierarchy - innovation

Example of part of a Key Results Hierarchy - Improvement in
Market Standing

Example of part of a Key Results Hierarchy - People Performance

Example of part of a K.R.H. - Financial Resources utilisation

McGreggor's Theory X assumptions

McGreggor's Theory Y assumptions

Maslow's Hierarchy of Motivational Needs

Example of the integration of individual managers' tasks through
the Key Results Area concept

Herzberg - Hygiene Factors

Herzberg - Motivation Factors

Herzberg - Two-Factor Theory of Motivation

Five Basic Needs of a Manager

LIST OF HAND-OUT NOTES (Continued)

Examples of Individual Managers Objectives - Delivery Performance

- (a) Managing Director
- (b) Sales Director
- (c) Sales Manager
- (d) Factory Manager

II PRODUCTION MANAGEMENT

Written and handed out by V. K. S. Menon

Planning Production Function

Operations Performance Appraisal

Inventory Control

Preventative Maintenance

Quality, Reliability and Standardisation

Case Study - ABC Printing Press

Case Discussion - Inventory Management

Cost Reduction - What? Where and How?

The Business Game

You can measure anything - Measure your Deskmanship

Operations Research for Management

Problems in Production Management

PARTICIPANTS EVALUATION OF THE SEMINAR

Participants were asked to evaluate using the following scale:-

| | |
|--------|-------------------------------------|
| 1 - 2 | very poor / much below expectations |
| 3 - 4 | poor / below expectations |
| 5 - 6 | satisfactory / up to expectations |
| 7 - 8 | good / above expectations |
| 9 - 10 | excellent / well above expectations |

There were nineteen evaluation forms, completed anonomously. The results are:-

| | Average |
|--|---------|
| 1. How well was the seminar suited to your needs | 6.45 |
| 2. How well was the seminar suited to the needs of Zambia | 7.24 |
| 3. How much do you think you learned | 5.86 |
| 4. How did you find the contribution of the other participants | 6.34 |
| 5. How were the classroom facilities | 5.29 |
| 6. How was the accommodation | 4.16 |
| 7. How were the other administrative arrangements | 4.08 |
| 8. How knowledgable were the instructors | |
| 16 answered with one score for all instructors | 7.31 |
| 3 answered - General Management | 9.17 |
| - Production | 8.83 |
| - Finance | 3.17 |
| 9. How well were the instructors able to sustain your interest | |
| 17 answered for all instructors | 6.26 |
| 2 answered - General Management | 10.00 |
| - Production | 10.00 |
| - Finance | 3.00 |
| 10. How good were the instructors at presentation | |
| 9 answered for all instructors | 5.66 |
| 10 answered - General Management | 8.65 |
| - Production | 8.65 |
| - Finance | 3.25 |
| 11. How well prepared were the instructors | |
| 16 answered for all instructors | 4.66 |
| 3 answered - General Management | 7.17 |
| - Production | 8.50 |
| - Finance | 1.83 |

PARTICIPANTS EVALUATION (continued)

14. Was the seminar too long or too short?
- | | |
|------------|----|
| Just right | 6 |
| Too short | 11 |
| Too long | 2 |
15. What could have been reduced?
Only three replies - all gave Finance
16. What could have been expanded?
- | | |
|-----------------|---|
| All subjects | 4 |
| Finance | 7 |
| General Man. | 2 |
| Production | 2 |
| Marketing | 2 |
| Cost Accounting | 1 |
17. How could the seminar be improved?
- | | |
|--|---|
| Better administration/organisation | 5 |
| Increase duration | 2 |
| More able financial lecturer | 1 |
| Better identification of training needs | 1 |
| More time for discussion | 1 |
| More case studies | 1 |
| Providing Instructors with teaching knowledge | 1 |
| More Zambian experts involved in the lecturing | 1 |
| Lecturers informed of programme in advance | 3 |
| All participants to come with prepared problems | 1 |
| Give ample time to lectures | 2 |
| Prepare in advance syllabus | 2 |
| Notify participants in good time | 2 |
| Punctuality - even by instructors | 1 |
| Evening work | 1 |
| Facilities for duplicating, photocopying to be available | 1 |
18. Any other comments:
1. Seminar should be continued to embrace a wider spectrum of Zambian Managers
 2. Accommodation - (Beddings must be improved)
 3. Visits to factories to be made on comparative basis i.e. visits to be made to both private and parastatal organisation

PARTICIPANTS EVALUATION (continued)

18. Any other comments (continued)

4. I would wish the Seminar participants to go and apply whatever we have learned into practice. I would like to thank most sincerely Mr. R. Cullen and Mr. Menon for the job well done and Mr. Slejfir for the efforts he put in trying to educate us.
5. The Seminar was generally beneficial to my job needs.
6. Finance subjects were poorly presented.
7. These seminars should continue in different stages.
8. Seminar courses should be arranged in Zambia for others to benefit.
9. These type of seminars should be encouraged.
10. Improve accommodation arrangements and welfare facilities.
11. If there were evening sessions the course could have been shortened to 1 - 2 weeks. Also all lecturers should be good at spoken English.
12. Improve accommodation and welfare facilities

