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TRAINING INDUSTRIAL MANAGERS
IN LEAST DEVELOPED COUNTRIES (LDCs)*

Prepared by
the UNIDO Secretariat

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PREFACE

Pursuant to the Paris Declaration and Programme of Action adopted at the Second United Nations Conference on the Least Developed Countries (LDCs), held in Paris from 3 to 14 September 1990, UNIDO, with financial support from the Government of Italy, decided to organize a Workshop on industrial development in the LDCs. The aim of the workshop is to review the status of industry and to analyze key issues of industrial development in the LDCs. The proceedings of the workshop will form the basis of an Industrial Action Plan for the LDCs to be submitted to the Fourth Session of the Conference of UNIDO in November 1991.

This report addresses issues of human resource development in LDCs focusing on industrial management training. The report has four parts. Chapter 1 is an introduction and background to management development programmes (MDPs) in LDCs. Chapter 2 discusses the requirements for industrial management skills in LDCs and examines the different groups of potential training candidates and their training needs. Chapter 3 analyses the process of planning, implementing, and evaluating management development programmes. It presents an analysis of the complete process of management development, starting with the sponsoring organizations and ending with post-training follow-up. Chapter 4 includes policy recommendations.

This paper has been prepared by the staff of the Regional and Country Studies Branch based on inputs provided by Dr. Chadwick R. Perry, Queensland University of Technology, Brisbane, Australia, as UNIDO consultant.
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<td>AIESEC</td>
<td>Association Internationale des Etudiants en Sciences Economiques et Commerciales</td>
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<td>EDI</td>
<td>Economic Development Institute</td>
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<td>ESAMI</td>
<td>Eastern and Southern Africa Management Institute</td>
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<td>FLP</td>
<td>Flexible Learning Packages</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMCB</td>
<td>International Management Centre for Buckingham</td>
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<td>LDC</td>
<td>Least developed countries</td>
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<td>MBA</td>
<td>Master of Business Administration</td>
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<td>MD</td>
<td>Managing Director</td>
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<td>MDP</td>
<td>Management development programme</td>
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<td>NGO</td>
<td>Non-governmental organization</td>
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<td>PCs</td>
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<td>PIES</td>
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<td>PIP</td>
<td>Planning for Improved Enterprise Performance programme</td>
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<td>RSIEs</td>
<td>Rural small industrial enterprises</td>
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<td>TQM</td>
<td>Total Quality Management</td>
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<td>UDC</td>
<td>Uganda Development Corporation</td>
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1. INTRODUCTION

1.1 The background

As the least developed countries (LDCs) are transformed from traditional societies to modern nation states, management of their industrial enterprises in an environment of scarce resources and limited infrastructure is both difficult and critical. For example, an evaluation of 277 development projects in Africa found more than 88 percent encountered human resource management problems (Rosenthal 1986), and another report identified management problems as the key factor in the failure or unsatisfactory performance of African development projects (Youker 1989). Management in industry would be especially important in the least developed countries (LDCs), because their industrial sector is so small by definition, and requires development. Management's importance in the future increases as LDCs adjust to:

- the continuing internationalization of production processes, technology, finance and trade flows with trading blocks such as the EC and US/Canada;
- the need for publicly owned enterprises and utilities to operate in a more competitive environment, become more efficient, operate closer to their capacity, and not be a drain on government funding;
- the perceived need to foster local enterprise ownership and management skills through local entrepreneurship (Elkan 1988); and
- the co-ordinated development of rural, industrial and service sectors.

Thus, the issues to be addressed within the management development programme have to relate to different groups of clients operating in different production structures, different geographical locations and at different entry points on the managerial ladder.

1.2 Scope and methodology of the report

This report addresses issues of human resource development in LDCs focusing on industrial management training. It concentrates on management development organized and funded by UNIDO and aid donor countries. Three other forms of management development in LDCs should be acknowledged, although they are not considered in depth in this report. These are:

- management degree programmes at institutions of higher education;
- management development of local staff by transnational corporations;
- management development learned directly as 'on-the-job' experience.

In this report, 'least developed countries' (LDCs) are defined as the 42 least developed countries identified by the UN. These countries are situated throughout Africa, Asia and the Pacific, and Caribbean, and are a heterogeneous group. This report makes many references to African LDCs because they represent more than half the population of LDCs, and the average African LDC's industrial performance has been below that of other LDCs in the 1980s. Nevertheless, references are made to other LDCs and the report's conclusions should apply to most LDCs throughout the world.

The report defines 'management development' as promoting the effective pursuit of an organization's own objectives through changing its manager's
attitudes, interpersonal and group behavioural skills, cognitive skills, and knowledge. This definition of management development emphasises two key concepts. Firstly, the definition highlights the importance of shared values in organizational and management effectiveness, discussed later in chapter 2. Secondly, the definition is not restricted to the manager's knowledge and cognitive skills but includes attitudes and organizational behaviours such as leadership style; thus the definition implies that management development brings about changes in the organization to which the manager belongs.

In this report, 'management development programmes' (MDPs) are defined as programmes associated with the UN or donor countries which consist of courses presented to participants by trainers; however, in this report the MDP concept is broadened to include planning before and implementation after these courses.

'Development corporations' are defined as institutions which control a number of government-owned enterprises; examples are the Ethiopian Beverages Corporation, the National Development Corporation in Tanzania and the Botswana Development Corporation.

The rationale for targeting women in management training programmes would need to be appreciated in view of the increasing emphasis on enhancing their potential participation in the industrialization process. This is one of the thematic issues of UNIDO, constituting a special subject of in-depth analysis in a number of reports (Van der Wees and Romijn 1987, Desjardins and Lamy 1987, UNIDO 1988b).

The report has four parts. Firstly, requirements as reported from literature for industrial management skills in LDCs are reviewed, based on perceived training needs of the potential and established cadre of managers. Secondly, an overview of the process of planning, implementation and evaluation of management development programmes is presented. Finally, policy recommendations are offered.
2. REQUIREMENTS FOR INDUSTRIAL MANAGEMENT DEVELOPMENT

The 'grand designs' for development in the 1950s and 1960s have given way to a more tentative approach, for 'all the evidence points to the continuing failure of imposed solutions' (Simpson 1988, p. 328). This report, therefore, starts with an overview of the type of training that managers in LDCs are likely to need. Because LDCs are heterogeneous, precise needs will vary from LDC to LDC depending on its industrial structure, existing knowledge and skills base, socio-cultural conditions and the macroeconomic environment. In this report, only a general picture of training needs can be given. The exact needs for individual countries can only be determined through a detailed assessment survey.

In this chapter managerial skill requirements of different target groups for MDP are reviewed in the context of their special training needs. This provides a background to the later discussion on components and techniques of training programmes addressing these various groups of a managerial cadre.

Participants in management development programmes could be:

- pre-start up entrepreneurs
- small enterprise managers
- large enterprise managers
  - entry-level managers
  - middle-level managers
  - top/senior managers
  - development corporation managers

The training needs of each of these groups will be discussed in turn.

2.1 Training needs of pre-start up entrepreneurs

Entrepreneurs who start small businesses promote a more equitable distribution of income and employment opportunities, because small businesses are usually labour-intensive and can be established in non-metropolitan centres (Nelson 1981). Moreover, it is believed that small businesses require less complex management skills than big businesses and so should be nurtured in areas where management expertise is scarce.

An increasing number of women all over the world are setting up their own micro- or small-scale enterprises. The percentage of women classified as employers and own account workers in the total female employment is highest for African women, 20 percent, compared to 13 percent and 15 percent in Asia and Latin America respectively (ILO 1987). The figure may be even higher due to underreporting and differences in defining female self-employment. In addition to the reason stated above for starting small-scale businesses for women this type of employment is attractive since it can be more flexible, can be run from their homes, and is less restrictive than employment in larger enterprises. This undertaking may also be the last resort to provide them with income in view of the fact that women are twice as likely as men to be unemployed in Africa (UNIDO 1991b).

Broad programmes to encourage entrepreneurs to start businesses are not required, for the supply of entrepreneurs in response to market growth in developing countries has been elastic (Nanjundan 1986), and the recent increase in unemployment of graduates and technically trained people in LDCs
will fuel the flow of entrepreneurs (for example, about 40 percent of trained technicians in Djibouti cannot find work in the formal sector (UNIDO 1991b). However, the transition from school into self-employment is not an instant and easy process. Maturity, experience, skills and personal savings are important entry requirements into micro- and small enterprises. Although the quality of plans for pre-start up entrepreneurs could be improved through training programmes to enhance entrepreneurship capabilities and confidence building, management training and consultancy programmes, these would not be sufficient.

Special programmes aimed at pre-start up entrepreneurs need to be coordinated with other programmes and are gender sensitive. This may require coordination of planning, training and access to finance tailored to the needs of society, including the awareness and need to utilize the potential of female entrepreneurship in LDCs. Examples of this type of integrated approach being applied could be found in Scandinavian funded projects of industrial estates in Botswana, Lesotho and Swaziland.

These estates are important since small enterprises grow into medium- and large-scale ones and need to be run by private developers or cooperatives rather than by governments (Nanjundan 1986). Without this integration, entrepreneurship will be hampered by limited capital and limited business experience, resulting in 'entrepreneurial participation...restricted to technologically simple small-scale ventures at the periphery of the commercial sector' (Fairbairn 1988, p. 271).

But even integrated, multidisciplinary industrial estate programmes will always be of limited effectiveness, especially in rural areas where industrial estates have a poor record (UNDP 1988). So a broader approach to the volume of training required in LDCs would be to include entrepreneurship training in apprenticeship institutions and in primary and secondary school curricula and to give emphasis to the elimination of sex discrimination in training programmes (UNIDO 1991).

This broad approach would influence pre-start up entrepreneurs in the informal as well as the formal sector. Small enterprises in the informal sector are not subject to formal rules of contract, licenses, taxation, inspection, etc., and mostly provide services rather than industrial products.

The informal sector can be an important breeding ground for entrepreneurs who later join the formal industrial sector. Moreover, the informal sector is growing in importance as the government sector in many LDCs contracts under fiscal pressures, and as governments loosen controls on entrepreneurship (such as controls on prices, private ownership and trade) as the negative effects of those controls on economic growth have become obvious.

The founders of enterprises in the informal sector usually acquire their training through on-the-job training or apprenticeships, mostly in small-scale businesses owned by the nuclear or extended family, before setting up their low-cost, easy-to-enter industry. This type of training may also be the only opportunity for majority of women to acquire skills apart from those acquired in the household.

Legislation aimed at promotion of management components into apprenticeship training or secondary and trade school courses, would be of great benefit to this category of potential entrepreneurs in the LDCs. This
type of legislation is especially important in LDCs, because there are so few industrial enterprises in which entrepreneurs can acquire their training.

2.2 Training needs of small enterprise managers

After start up, small-scale enterprise management development undergoes a transition from planning to management stage. A survey in Malawi, for example, showed that the dearth of entrepreneurial and management capabilities were the main constraints to expansion of small and medium-size enterprises (U.S.A.I.D. 1987). Nelson (1981) notes that adequate data about small entrepreneurs' training needs are lacking, he suggests, however, that after start up, managers of small-size enterprises must gain confidence in dealing with formal and informal funding sources, and in taking advantage of existing technical assistance and training schemes (Farbairn 1988).

In addition, managers who own small enterprises need information about (Nelson 1981):

- meeting government and big business tenders
- exporting
- management skills such as planning product development, inventory
- stock control
- costing and pricing
- credit applications.

A manager who owns a small enterprise has little time for training. One definition of a small business is 'an enterprise which is in trouble if the manager is sick', because the manager makes all the management decisions without the help of internal specialists available to big business managers. In addition to having to work long hours, managers who own small enterprises, especially in rural areas, may have difficulty travelling to the venue of the training programme. Training of managers of small enterprises should therefore be brief and out of work hours, practical, and problem- and industry-specific. It would be advantageous if amongst trainers are practitioners who are successful small enterprise managers and trade associations executives (Bailey and Royston 1980) who are in addition sensitized to gender issues.

Again, the lack of infrastructure in LDCs suggests that the training should be coordinated with finance and extension services, in a 'single window' approach; else, the training may not be implemented (UNDP 1988, p. 73). That is, management development needs to be integrated into a whole range of measures, such as appropriate fiscal and credit policies, including the promotion of subcontracting networks and arrangements for local small enterprises in place of imports, and legislation to protect private investment, designed to assist small-size enterprises.

Managers who own rural small industrial enterprises (RSIE) have special requirements. They deserve special attention due to their dominant position in the industrial structure in many developing countries, their increasing importance in providing alternative means of employment to agriculture, and potential for facilitating urban-rural and agriculture-industry linkages. Comprehensive evaluation of technical assistance provided to RSIE carried out by UNDP, ILO and UNIDO arrived at the following characterization of entrepreneurs in this sector:
Most RSIEs are privately-owned, mostly the proprietors are family members. Workers who are members of the family form the largest component of the labour force, and the labour force are part-time or seasonal. While sources of entrepreneurship for RSIEs vary among countries and at different levels of development, in general it is the farmer or family member who turns to RSIE from a part-time to a full-time occupation. He obtains informal on-the-job apprenticeship training in a craft or trade, and either joins the unit which trains him or starts on his own. Most women entrepreneurs, who originate from the farming sector tend to concentrate on handicrafts, garment and food related industries (UNDP 1988, p.26 and 27).

Given the intensely local and decentralized nature of RSIEs including variety of activities, management development programmes need to be community-based and multidisciplinary. They are usually directed at already operating RSIEs and trainees who already have 'some technical knowledge and enterprise experience and are able to build further on that base' (UNDP 1988, p. 75).

Thus the key to the success of RSIE management development organizations are local presence and market awareness. It is a two-way process: local organizations are more aware of RSIEs and are financially dependent on them, and the managers who own RSIE are willing to approach the non-bureaucratic and local organizations. In brief, RSIE management development activity must (UNDP 1988, p. 129):

- have strong field links
- be based on local presence and autonomy of presence
- be technically competent.

Management development has been a low priority for RSIE and for small enterprises in towns. The First Consultation on Small- and Medium-Scale Enterprises including Co-operatives (UNIDO 1989a) made only one reference to its importance (p. 26).

In brief, small-scale enterprises are important elements of LDC development, but the special characteristics of their managers make their development difficult, such as the demands on their time, unawareness of the need for management training and location away from training facilities.

2.3 Training needs of managers in larger enterprises

Following the discussion on management development in small-scale enterprises above, management development in large-scale enterprises will be discussed. The following sections are primarily concerned with middle and senior level managerial requirements. However, the importance of efforts to include 'blue collar' workers into management development programmes is recognized as the new trends of production technologies indicate the move from low skill assembly line production to high skill group work. Changing style of management from hierarchical to participatory style drawing on tacit skills of workers is implicit in the concept of Total Quality Management (TQM) discussed in section 2.3.3.

Broadening of the recruitment base for future managers in larger enterprises should be part of the overall strategy for effective utilization of human resources. In this respect women's potential has neither been tapped nor fully recognized. Thus concentrated efforts are needed to ensure that
women are also given an equal consideration for managerial posts and access to managerial training.

2.3.1 Knowledge and cognitive skills requirements of managers

The knowledge and cognitive skills requirements of industrial managers are possibly similar in most countries. For example, any industrial establishment requires accounting information, appropriate inventory systems, production plans and market forecasts. Managers in LDC enterprises certainly need these basic management skills and knowledge. For example, a UNIDO study of Liberia found that 'management, training and information systems are generally inadequate for routine tasks such as accounting, administration, inventory, purchases and sales' (UNIDO 1989d, p.17). So knowledge and cognitive skills for basic functions such as these can and should be transferred from developed countries to LDCs using successful procedures such as Flexible Learning Packages (FLPs).

The transfer of technology- and equipment-related knowledge and cognitive skills makes it essential that contractual or legal requirements for associated management development are linked with government and private sector development projects. Moreover, if a multinational buys a privatized enterprise in an LDC, its development of that enterprise should be linked to appropriate management development.

Marketing is one area of knowledge and cognitive skills which may be particularly appropriate for LDCs. Government controls have often meant that managers in industry have produced to meet government directives rather than market demand. As government controls are lessened, managers need to understand the need for market research and product design/quality, and matching supply with demand in a competitive market.

A survey of 64 managers in developing countries noted the importance of managerial skills/techniques transferred to their work, and rated hierarchically the following (Yavas and Cavusgil 1989):

- internal/organizational skills
- export marketing and marketing research
- functional area skills
- planning, policy formulation and strategic decision making
- product cost accounting and pricing.

2.3.2 Behavioural skills and attitudes requirements of managers

The knowledge and cognitive skills noted above are of course necessary for industrial effectiveness, but they are nearly as important as behavioural skills and attitudes. What do managers in these enterprises do? In contrast to the essentially solitary management work of entrepreneurs, managers of large-scale enterprises work with other managers who are senior or junior to them, and must delegate much of the basic work done by entrepreneurs. That is, management is a social process. Having knowledge and cognitive skills is one thing, applying them within an organization is another.

Research in developed countries has demonstrated that the training programmes for managers of large-scale enterprises should of course relate to knowledge and cognitive skill training. Equal emphasis need to be made on attitudes and behavioural skills. Cognitive skills and knowledge are not the
most important aspects of managerial work, despite the emphasis placed on them in most management development programmes (Burgoyne and Stuart 1976; Evarts 1987; Knibbs et al. 1985; Cunnington and Trevor-Roberts 1986; Margerison and Kakabadse 1984; Dakin and Hamilton 1985). Typical results emerging from the researches on middle and senior managers include the following finding:

Important as it may seem, education in the enterprise side of management - financial systems, marketing techniques, production methods, and the like - plays a relatively small role in the executive's ongoing development. Rather, the greatest emphasis is on communication skills, delegation, respect for others, decision making, and self-discipline (Margerison and Kakabadse 1984, p. 30).

Results of research about senior and top management are similar:

They need the skills to manage people, and to manage the relationship between their units and the political and social environment. As a baseline requirement, they must also have conceptual and analytical skills. (Limerick et al. 1984, p. 33).

The research above referred to US, UK and Australian managers, but there should be no presumption that the situation in LDCs is different. For example, a UNIDO report describes how frustrated managers in Mozambique were that their functional skills could not be applied at work because of 'organizational problems' such as a lack of simple controls for variables such as costs and turnover, lack of maintenance, and poor quality raw materials; the managers were most interested in how to overcome these problems (UNIDO 1989b). It should be noted that the 'organizational problems' are not just internal, as in developed countries. In developed countries, governments usually have mainly a regulatory function. But in LDCs, governments have far more influence over an enterprises' operations, and so training in establishing and maintaining relationships with governments and suppliers is important (Safavi 1981).

As an example, Coates' (1990, p. 5), list of senior management concerns gleaned from managers themselves in LDCs such as Tanzania and Sudan are as follows:

- getting organized and becoming more effective
- time management and delegation
- being more assertive
- working effectively in management teams
- being more involved in the overall training process and not leaving it all to the training department
- the notion that marketing is a common issue
- selling skills
- customer service and customer awareness.

The emphasis on internal/organizational skills is reinforced in Jones' (1989) survey of 152 Malawi managers, which found that managers need to operate within collectivist organizations that emphasise relationships and accumulated power rather than performance.

The importance of 'political' internal/organizational skills in LDC management development is also confirmed by Hofstede's (1983) survey of managers in 67 countries. He found that countries with low GDP per capita had
a culture with high levels of Collectivism and low levels of Individualism (Collectivism measures a preference for a tightly knit social framework based on interdependent responsibilities, and Individualism measures a preference for people taking care of themselves and their immediate families only).

Countries with low GDP also had a culture with high Power Distances rather than small Power Distances (Power Distance measures the acceptance of unequal distribution of power in organizations). Because of their heterogeneity, levels of Collectivism and Power Distance will vary from LDC to LDC. However, by definition, LDCs have low GDPs and limited exposure to the industrialization. Thus average LDC levels of Collectivism and Power Distance would be higher than the averages of developing and developed countries. Thus Hofstede’s (1983) findings should be especially relevant to management development in LDCs (Hereafter, the term ‘collectivist’ will refer to high levels of Hofstede’s (1983) Collectivism and Power Distance).

This collectivist nature of organization culture in LDCs is crucial to understanding the development of their managers, and so deserves closer examination.

In LDCs, moral responsibilities to others are more important than self-actualization. Children grow up in a society where work and extended family lives are joined. Thus enterprises are expected to provide more than wages. Compensation packages includes allowances or benefits for housing, transport and so on.

The importance of these social relationships in LDCs nurtures social mechanisms based on prestige, hierarchy and status rather than individual performance, with problems dealt with by custom or consensus. Consequently, managers have a relatively paternal style of relationship based on a concern for the network of people for whom they are responsible, and workers have a deferential attitude to managers and do not seek to show initiative.

This collectivist culture of LDCs is no more irrational than the individualist culture of most developed countries. LDC societies usually have a turbulent past and may have a turbulent future, and resources are scarce. The group-centredness of these societie offers 'the individual identity, insurance and social security, community refuge' (Safavi and Tweddell 1990, p. 58).

Collectivism explains four characteristics of management in LDCs. Firstly, management techniques based on an individual manager's efforts may be inappropriate. For example, techniques such as management by objectives and performance appraisal based on individuals have been found to be ineffective (Jones 1989; Seddon 1987).

The second implication of LDC collectivism is that workers may expect the enterprise to provide continuing benefits to the worker and his extended family, and the expected continuation of existing personal inter-relationships throughout the enterprise results in a concern for status and rituals rather than professional or technical qualifications.

Thirdly, the difference between LDCs and Western countries which arises from the LDC's collectivist culture is that enterprises in LDCs are typically more centralized and authoritarian than in the Western countries. But there are no cogent reasons to suggest that MDPs should try to alter this aspect of
enterprise culture of LDCs. Research in developed countries does not conclude that more decentralized enterprises achieve superior organizational performance (Mansfield and Alam 1985).

The fourth characteristic of LDC collectivism relates to different manifestations of collectivism in relationships between managers and workers, and among the managerial hierarchy. There are indications that workers do not cherish the values of participatory management such as 'creativity' and 'independence'; instead, they value 'security', 'economic returns' and 'relationship with the boss'. Probably, this is due to the fact that workers are so poor that lower-order, physiological needs must be met before higher-order needs based on Western management, are addressed.

On the other hand the managers themselves prefer that their own senior managers become less collectivist and directive in their dealings with them. In contrast to workers, the managers' higher-level needs should be addressed because their lower-level needs are being met. For example, managers in Malawi expressed dissatisfaction with their superiors' authoritarianism, and wanted more opportunities for their own input into managerial decision and action (Jones 1989). In interviews throughout Africa, Safavi (1981) found out that many managers were 'disenchanted' with the way their enterprises were run by senior managers and were frustrated by the red tape involved. The conclusion one draws to that collectivist values need not be altered for management's dealings with workers, but should be reconsidered for senior management's dealings with other managers.

In summary it can be concluded that Western managers' behavioural skills and attitudes which were developed in more decentralized and democratic cultures must be modified and transferred with care before being incorporated into LDCs management development programmes.

2.3.3 Training needs from an organizational perspectives

The above picture of managers' internal/organizational concerns has been derived from managers themselves - their needs for getting ahead in their organizations. But collectivist managers could conceivably pursue goals of status and prestige at the expense of economic performance of their organization. Consequently the next question to be addressed in the search for training needs of LDC managers is: What are the characteristics of economically successful organizations?

Research in developed countries in the 1970s and 1980s (Pascale and Athos 1981; Deal and Kennedy 1982; Peters and Waterman 1984; Gluck 1984; Limerick et al. 1984; Clifford and Cavanaugh 1985) suggests that there are no definitive management practices and techniques which characterise excellent enterprises. What distinguishes excellent enterprises from others is a distinctive set of shared values. Two quotations summarize this research:

"We would all like to see some definitive answers about what types of organizations and processes work. However, if you emphasise what it takes to knit the elements together rather than the design of the individual elements, you begin to understand what really makes a difference...vision and leadership." (Gluck 1984, p. 11).
"Two crucial facts arise in all studies of the world's most successful manufacturers. First, the companies that have developed and implemented the most effective manufacturing strategies are those characterized by a strongly held set of values and beliefs, i.e. a corporate philosophy. This philosophy or spirit permeates the business from the top floor to the shop floor." (Huge 1988, p. 2).

Until demonstrated otherwise, it should be safe to assume that the findings also apply in LDCs. This finding has implications for training of top/senior managers because they must be promoters and protectors of the values their own organization, and ensure they understand the linkage between:

- culture
- organizational structure
- production strategy
- customers service.

Often, only Managing Directors (MDs) or their equivalents are aware of these interdependencies for the whole organization. These MDs 'battled away at the interface between their strategies, structures and cultures' (Limerick et al. 1984, p. 13), but the managers below them apparently were unable to inter-relate their organization's strategy, structures and cultures in any consistent manner.

This finding echoes the importance of shared values concept which reinforces the value of the Planning for Improved Enterprise Performance (PIP) programme (Abramson and Halset 1979) which has been used by the ILO and other organizations in hundreds of enterprises, projects and programmes in scores of countries for organizational development within an enterprise. PIP is a series of senior management workshops using worksheets to lead the team through problem identification and analysis, objective setting, plan formulation and implementation. The worksheets and procedures ideally are used over and over as senior management group of an enterprise continuously learns to align to the organization with its environment to fulfil its own vision. In this context the training needs of middle and senior management in LDCs are broadly similar to those of managers in developed countries.

Concentrating on the differences noted above, some observers suggest that a completely new approach to management and management development is required. Jones (1989) suggests African managers develop their own indigenous management ideas and techniques for their own socio-cultural environment. Similarly, Kerrigan and Luke (1987) emphasise training outside formal MDPs because they see a drastic need for reconceptualization of management and MDPs.

However, management in collectivist organizations has already been conceptualized and implemented in the 'total quality management' (TQM) movement (sometimes called the TQC movement) which has been implemented in many industrial organizations in several countries. TQM principles were developed in collectivist Japan but have been adopted in the individualistic US, the EC and Australia. For example, productivity of Japanese-owned automobile plants in the US is as high as their plants in Japan, even though the workforces are supposed to have different cultures. Thus evidence is clear that TQM principles are not Japanese culture-bound (Jain 1984) and can
be adopted in other countries. Indeed, TQM principles would 'fit' the culture of LDCs extraordinarily well, with their emphasis on workgroups, relationships between members of workgroups and between workgroups, organizational cohesion and consensus, and management responsibility for systemic causes of errors. It is important in this context to include women blue collar workers in this sphere.

Unfortunately, no trials of TQM in LDCs have been reported, even though TQM principles would appear to be the ideal conceptual framework for meeting managers' and organizational concerns identified above. Thus study tours of LDC managers to collectivist countries such as Japan which have adopted TQM may be useful.

2.4 Training needs of managers of development corporations

Section 2.3 above discussed training needs for middle and senior managers of enterprises. But training needs of one more level of management should be considered. In many LDCs, governments own many enterprises and control them in a bureaucratic fashion which does not promote efficient and effective use of resources. Even if middle and senior managers manage an enterprise which has a strong and distinct vision, their effectiveness may be limited if the structures and control systems imposed upon the enterprise by its government-owned development corporation do not support economic development. Thus management of these corporations must also be restructured and developed.

A case study from the United Republic of Tanzania illustrates the importance of developing the managerial skills in development corporations:

"... in 1981 all management at [an enterprise] ... was localized. Two years later, it was reported that as the local personnel took over the general and technical management functions of the company, one kiln blew up in 1983 allegedly due to insufficient attention given to maintenance by management. The action which followed was drastic involving the demotion or transfer of top management in the company. This decision inhibited further learning-by-doing on the part of affected local personnel ... It appears that the option of strengthening the local management was proposed by the Board of Directors of ... [the enterprise] but the higher level Board of ... [the development corporation] decided to remove the whole top management. Since this local management was the most experienced in cement production in the country the only alternative was to engage foreign management." (Wangwe 1989, pp. 25-26 quoted in UNIDO 1991b).

If the managers of development corporations had themselves been better trained, they might have recognized that the cause of the enterprise problems was a lack of skilled and adequately trained managers. Thus, they would have used a collaborative, 'win-win' management style with those managers rather than a confrontational approach, 'I win and you lose', they did use.

Managers of development corporations must be trained in order to make decisions as to when and how enterprises should be decentralized or consolidated. In order to make such decisions they must be capable of:

- balancing economic and political issues;
- attracting and appointing appropriate MDs of enterprises;
negotiating win-win strategic alliances with and among the managers of their business enterprises.

- financing the business enterprises and establish accounting procedures to monitor financial discipline; and
- establishing and monitor the enterprises’ strategic directions.

Fulfilling some of these training requirements can be achieved in structured meetings of MDs of business enterprises with development corporation managers. At one of these meetings in Africa, MDs of enterprises met with:

representatives of government, supervisory authorities and company teams. In the meeting, each group first exchanged its mutual perceptions of each other. The consultants ... controlled this airing of views and kept the meeting task oriented, rather than finger pointing. A plan was agreed upon to grant increasing autonomy to the executives in finance and personnel matters, so that they could better accomplish their mandates. This process illustrates a two-stage campaign of using PIP first, then constructive confrontation with authorities later (Kubr and Wallace 1983, pp. 60-61).

But clearly, development of corporation managers must extend beyond meetings such as these, to enable them to make an appropriate decision regarding when and how much authority to delegate to enterprises or retain within the corporation.

One hindrance to the delegation of autonomy from development corporations to their enterprises is the collectivist culture of LDCs noted earlier. Devolution is often taken to be equivalent to privatization, that is, to selling off government owned enterprises to private individuals. Privatization has theoretical foundations: a privately owned asset in a market economy would be employed more efficiently if the few owners bear the profits or losses involved in their use (rather than a multitude of taxpayers). But a government in an LDC may perceive that privatization restricts access of locals to management and supervisory positions and to training for those positions, if the new owners are not locals. This means that privatization must be associated with provisions for management development of locals.

An alternative to privatization is to improve the effectiveness of the board of the enterprise and the management and board of the development corporation. Whenever privatization is only partial, the need to train directors and managers of development corporations remains.

This training will only be accepted by managers and directors if they feel they need to learn. Some directors and development corporation managers are appointees who do not want change (Kubr and Wallace 1983), and training them will have little effect. Effective training will require ‘unfreezing’ their old bureaucratic ways and replacing them with new management methods. Unfreezing could occur with organizational restructuring of the development corporation and its enterprises and the setting of new economic performance targets and controls for them, such as a government’s ruling to reduce funding of their deficits. The replacement could be associated with an MDP which was complementary to this organizational restructuring, aimed at helping the managers achieve their new performance targets and to survive in their new setting.
This approach sometimes called 'action learning' was adopted for example in the MDP in Uganda. Enterprise and corporation managers and directors together ran a simulated exercise where enterprises' performance was measured against clearly defined objectives: the simulation measured their planned performance against actual achievements against and fed the results back to them before they made another set of decisions (Appendix 1).

2.5 Effect of computers on training needs

In developed countries, computers have influenced how managers manage, and so have affected their training needs. However, in most LDCs, less than 20 percent of the computer capacity is being utilized, and most of that is for routine applications such as payroll and accounting. For example, a UNIDO survey of a number of companies in the Zambian agro-food sector showed all had inadequate information systems even for their accounting, administration, purchases and sales functions. Another example is Ethiopia - the first African country to acquire a computer, in 1960. In 1990, it had fewer than ten mainframe computers and about sixty microcomputers, with only eight of them in industry. None of the 2000 PCs in Ethiopia are used in industry. One can only conclude that 'the role of manufacturing is very insignificant, but the role of computers is even more negligible in manufacturing activities' (UNIDO 1990a, p. 28). Similarly, a 1989 survey of computer users in francophone African countries showed that the overwhelming majority of these were in services industries, with manufacturers being a very small number. A UNIDO survey of all African countries showed that in about half, only 5 percent of the factories used computers for management purposes. The conclusion drawn is:

...the figures indicate a very striking level of underdevelopment as far as computer usage is concerned. There is no obvious correlation with country size or levels of development of the economy as a whole or the manufacturing sector in particular. The results indicate a real difficulty and a clear obstacle to wider use of computers, whether for industrial management or any other purpose. (UNIDO 1991, p. 34)

Clearly, a need exists for courses for computer professionals such as system analysts and programmers. National computer training centres have been established in several LDCs, but the results on management use of computers have not been encouraging, mainly because the computer input and output is provided too late, and managers find it difficult to use the information (Kubr and Wallace 1983). Moreover, LDC managers are generally less familiar with computers and more apprehensive to their use than managers in developed countries.

So before computers can affect the training needs of managers identified in sections 2.4 and 2.5 above, managers in LDCs need training in basic computer literacy and appreciation. Managers must understand that computers are essential managerial tools which provide a fast way of processing data thus giving them more time for analytical tasks. For example, a marketing MDP in Uganda introduces participants to very user-friendly software which will provide forecasts of sales which they would not otherwise have available; the enterprise managers have access to PCs in the PIES offices to run the software, if their own enterprise does not have a PC. Training in the project feasibility software called COMFAR also allows managers to evaluate new projects in ways that were previously not possible. Managers also need to be
trained to negotiate with computer suppliers, recruit staff, and suggest and monitor applications for cost-effective investment.

2.6 Conclusion

Participants in MDPs could be pre-start up entrepreneurs, managers of small- and large-scale enterprises, as well as managers of development corporations. Training for pre-start up entrepreneurs and managers of small-scale enterprises should begin at school, concentrate on business basics and motivation, and encouraging female students' participation. Training for managers in large enterprises should include internal/organizational and marketing skills, organizational culture, and for development corporation managers on differentiation/integration issues. Management development should be coordinated, based on improvements in higher level enterprise performance criteria, and sensitive to gender issues.

A system of rewards and punishments must be incorporated in an MDP (Safavi and Tweddell 1990), as was done in the Ugandan MDP (Appendix 1). Moreover, the collectivist culture of LDCs favours group activities during MDPs, with participants learning by doing and discussing together. Thus some experienced participants may be selected and promoted to teach other participants in small group work during the MDP.
3. PLANNING, IMPLEMENTING AND EVALUATING MANAGEMENT DEVELOPMENT PROGRAMMES

Section 2 above identified MDP participants and their needs; the next section turns to how those needs can be met in MDPs. The approach taken is necessarily a broad one, ranging from the initial selection of sponsoring organizations, through details of the MDP, to post-MDP implementation.

3.1 Programme planning

3.1.1 The role of sponsoring organizations

Management development programmes (MDPs) can have many sponsoring organizations, ranging from the managers' own enterprises through to governments of developed countries, voluntary organizations (NGOs) and the UN system. Coordinating activities of these various sponsors can be crucial. The coordination would need to focus on agreements/understanding regarding the following:

- programme objectives, content and duration
- programme funding
- selection of participants
- programme evaluation and implementation
- continuing programme presentation.

Three action goals may be required at the start of a MDP (based on Schermerhorn et al. 1985):

- identify key decision makers in the participating organization;
- facilitate joint decisions where joint concerns are present, in a win-win negotiated framework; and
- maintain the coordination through cooperative mechanisms to commit each participating organization to be responsible for the MDP's success or failure.

The following considerations should be taken into account when establishing coordinating mechanisms of sponsors for an MDP:

- keep the number of sponsoring agents to a minimum so that there are not too many inter-organizational relationships to monitor and control;
- ensure a sufficient range of sponsors to ensure survival of the MDP if the 'political' environment were to become turbulent;
- do not create new relationships for the MDP which will only exacerbate local rivalries and be outside those power structures which control funds; and
- if possible, include organizations that will have a vested interest in the success of MDP (for example, the Development Bank of Papua New Guinea runs effective MDPs because the training will affect the participants' ability to repay their bank loans).

The last point above suggests that sponsoring of MDP should be a vertical slice through an industry rather than a horizontal slice. For example, an individual bank will be more committed to an MDP if only its loan customers are involved, for the MDP will give the bank a competitive advantage. In contrast, an MDP open to all hardware retailers in a region would not give any of them a competitive advantage. This competitive
advantage provided by effective management development explains the finding that most industry associations do not provide training (UNDP 1988), and those that do merely emphasise industry-wide concerns such as industrial and labour relations issues and functional areas of supervisory or junior management (ILO 1986).

To improve industry association training, the ILO (1986) suggests that industry-wide employers organizations strengthen links with management development organizations. But many management development institutions in LDCs need to be strengthened themselves.

3.1.2 The role of a client

'Sponsors' discussed above are organizations, but the 'client' discussed in this section is preferably an individual manager directly senior to a MDP participant. If that manager is explicitly committed as a 'client' then he or she could be involved in the following aspects of the MDP:

- Analysis of training needs of potential participants. As noted in section 2.1, this should be an early step in planning an MDP.
- Selection of participants, for example, a successful maintenance MDP in Ethiopia was preceded by short seminars for client top managers who then selected participants for the MDP proper.
- Presentation of some of the material in the MDP sessions, alongside trainers. In the distant future, the ideal situation in which managers do all the training might occur, for example, IBM does not have 'trainers', for managers present all sessions to their subordinates.
- Evaluation at the end the MDP: for example, Coates (1990) has found clients' involvement in evaluation of MDPs to be very useful:

  Managing directors of the various participating organizations have come to the evaluation meetings to talk about the impact of...[the MDP] in their companies and savings banks. They have advised on their future needs, suggesting in turn new approaches to learning from experiences and making them work in organizations (Coates 1990, p. 6).

- Ongoing presentation of MDPs after the trainers have left - if clients and participants are aware that they will have to present later MDPs, they are more committed to learning and improving the MDP.
- Acceptance, review and final approval of participant projects after the MDP, to implement the principles covered in the MDP. For example, successful MDPs in Ethiopia included special, post-MDP seminars for clients on how to apply their participants' recommendations.

The involvement of client managers in planning, running and especially in implementing MDPs is important in LDCs where any management development might be viewed as a threat to the status and prestige of more senior managers, as noted above. For example, in an MDP in Sudan, the worrying question about whether the participants would be allowed to apply the principles they had learnt on the job was raised 'by the whole group' (UNIDO
Client managers need to feel empowered by their junior's involvement in an MDP, to ensure the junior's own empowerment.

3.2 Programme implementation

3.2.1 Determining the scope of management development programmes (MDPs)

Given the recent research findings noted above of the importance of internal/organizational skills and enterprise culture, limiting participants in an MDP to only one enterprise is highly recommended. An in-house PIP in one enterprise could become the starting point for all later management development training in that enterprise. The PIP is expected to establish future directions and training needs of the enterprise and provide a framework for linking later MDPs.

However, most enterprises cannot afford to have all or most of its management absent on a MDP; moreover, preparation of in-house MDP material is expensive and time-consuming. One alternative is to pick and choose modules from among modular material such as the ILO's Flexible Learning Packages (FLP) material for developing managers' cognitive skills (ILO 1985).

Another alternative to one-enterprise MDPs is to select MDP participants from several enterprises within the same industry. However, participants should be from different parts of a city, region or country so that close competitors are not forced to withhold vital company based information from each other during the MDP.

Alternatively, extensive group work could be incorporated into a multi-industry MDP so that participants from an enterprise or an industry could often work together. In such MDPs, a 'mixed grill' approach could also be taken so that participants from an enterprise are spread through several groups to prevent their progress being constrained by the mindset and power structures of their own enterprise. For when participants relate concepts raised by trainers in the MDP to their own organizations, they may have to admit mistakes and weaknesses. One trainer in LDCs has found that there are many cultures in which admitting to mistakes, especially when they are interpersonal, causes much anguish (Coates 1990, p. 6), and this is exacerbated when participants from one enterprise have to work together during an MDP. Moreover, information gleaned in MDPs is a possible source of status and prestige within an enterprise's hierarchy, and so may not be disclosed in discussions where other participants from a manager's own enterprise are present.

3.2.2 Scheduling

The duration of the MDP will be determined by the training needs analysis. The duration of a MDP session could be one day or several weeks. Combining MDPs covering several areas into one optional diploma could be considered.

For small enterprises, MDP sessions will usually have to be at night or on weekends unless there is a seasonal influence or activity which would allow sessions in the day.

For other participants, part time or full time day sessions may be appropriate, for at least one African country has found after-hours 'evening
activity [is] unproductive owing to fatigue and [has] rescheduled sessions in the morning' (Coates 1990, p. 4). and evening sessions were not recommended in a MDP in Mozambique (UNIDO 1989b). Moreover, LDC transport and electricity difficulties may make evening sessions difficult.

3.2.3 Instructional techniques

3.2.3.1 Non-computerized instructional techniques

All too often MDPs in LDCs rely upon lectures as an instructional method. This method may not be the most beneficial for the participants because 'wise and erudite lectures ... show clearly the amount of learning acquired by the teacher but pay less attention to the learning of the learners' (Coates 1990, p. 6).

In addition to lectures, there are other instructional techniques that are more useful because they elicit the personal experience and expertise of the participants. These are ranked below according to the level of participants' involvement:

- assigned reading
- group discussion
- analysis of critical incidents
- case study
- simulation
- study tours to other countries
- work based on experiential learning in the form of:
  - specific projects
  - structured diary analysis
  - action learning and self teaching action groups
  - contract learning
  - mentoring.

Any or a combination of the instructional techniques chosen depends on their availability, time, and training needs (ILO 1972, Smith and Delahaye 1987). Given the behavioural skills and attitudes identified in section 2.3.2 instructional techniques incorporating participants' involvement are clearly to be preferred:

"Managers are sometimes more comfortable when the materials are taught through lectures and discussions. Some instructors may decide that it is safer to lecture, especially when learners are uncomfortable with discussion or are keen to learn from the instructor's experiences. Thus the learner is encouraged but never forced to learn in a new way. However, most learners appreciate being helped to learn in different, more effective ways. Certainly in management training programmes where the participants do most of the talking better learning usually results, although the participants may not necessarily realise it at the time." (ILO 1985, p.7).

Experience has shown that these techniques may not be readily acceptable as an alternative to traditional use of lectures. One explanation for this is the cultural foundations on which participatory instructional methods are based. In developed, more individualistic countries, the techniques have foundations of self-awareness and collaborative functioning of pairs and small groups. But in collectivist LDCs, foundations should be more group-oriented.
'emphasising group unity and internalization of external standards' (Lindsay and Dempsey 1985, p. 274). That is, the hierarchy of needs is different in the two types of countries (Nevis 1983).

Thus the first step towards using the more participatory action learning techniques in many LDCs is to acknowledge the participants' collectivist values. The next step is to train trainers in how to deliver the techniques. Included could be, for example, the use of non-verbal communication skills and physical arrangement of training room facilities.

The third step is to use a wide variety of training techniques. For example, when confronted with Asians' preference for 'cookbook' programmes, one experienced trainer (Tait 1972) used a variety of teaching methods in his programmes, and another found that 'none of the available training techniques were perfect enough to produce the desired results. Thus exclusive use of any one technique must be avoided' (Howard 1972, p. 23). Similarly, a UNIDO expert recommended incorporating into the teaching 'a broad range of effective pedagogical techniques using relevant, locally prepared material' (Willoughby 1984, p. 2).

Another expert concurs:

"It is no exaggeration to say that the...features of management education and training - concern over their relevance to the continuously changing real life separation and emphasis on learning to learn - are becoming the determining factors in the selection, use and further evolution of teaching and training methods. Since each method has its strengths and weaknesses, a mixture of methods based on the teacher's assessment of their potential and in certain case emphasising one particular method around which the programme is built, is the predominant feature of management education and development activities today, and will probably continue to be in the near future." (ILO 1963, p. 3-8).

Discussing small enterprise training, Patel comes to the same conclusion that a mix of techniques is required:

"The level of education declines as EDPs move to smaller towns and less developed areas. The training content for business orientation and project planning must be modified to suit the absorption capacity of the entrepreneurs. Giving less emphasis to written material and making more use of business games, group exercises and practical examples proves to be effective ... modifying appropriate tools and techniques for imparting the essential concepts of business is often difficult." (Patel 1987, p. 119-120).

In summary, a mixture of participatory techniques should be used, and adapted to local conditions and participants.

Regardless of the techniques adopted, visual and audiovisual materials such as overhead transparencies, slides, videos and films could be used. They add realism to a training session which a mere verbal description cannot. However, their use requires a projector which works, a trainer who knows how to operate it, and a reliable electricity supply.
Of the audiovisual material, videos and films require the audience to follow at a set speed, and cannot be halted if a participant cannot understand an issue raised. Furthermore, their unalterable script may not be appropriate to the culture or knowledge of an LDC audience. Finally, their costs of production and purchase are relatively expensive. For these reasons, initial use of audiovisual materials should probably be restricted to overhead transparencies and slides.

3.2.1.2 Computer-assisted instructional techniques

Personal Computers (PCs) should continue their infiltration of industrial enterprises in LDCs although cost, unreliable electricity, and poor maintenance and repairs will remain barriers. PCs' influence on management development may not be as extensive, for they will remain a complement rather than a substitute for the training techniques discussed above. For example, at present, PCs are used to allow participants to do some exercises that apply some cognitive skills first raised in a lecture or book:

"In this way, the computer becomes a tool for individualizing instruction, permitting students to work at their own pace, and often at their own work site... Research indicates that computers are best at improving the effectiveness of an already good training package, especially on topics where managers must be numerate in order to solve problems and allocate resources." (Kubr and Wallace 1983, p. 81).

Unfortunately, these cognitive skills are not the most important requirements of management, as noted earlier. Moreover, the training software is expensive to develop, at least two to three times as many hours per hour of presentation time as non-computer materials.

One effective approach would be to have groups of participants do PC exercises, with plenary discussion of the results. Ideally, the groups would be limited to three or four members so that all of them could see the PC screen at the same time, and contain participants with a mix of work and PC experience so that group members would learn together.

This suggestion is reinforced by the success of the business simulation exercises in the Ugandan MDP. A spreadsheet programme was written allowing participants to make 'what-if' strategic decisions and receive immediate feedback on their results, for example, the effect on profit of a price change or the effect on inventory of a production decision. Groups of participants experienced together the interrelatedness of strategic decisions, and then reflected on their PC-based experience in plenary sessions.

The use of PCs in MDPs enables trainers as well as participants to make effective management decisions. For example, word-processing software permits quick changes to case studies and notes so that names, places, relationships and currency can be localized.

3.2.4 Role of trainers

Given the training needs and instructional techniques identified above as essential for MDPs, trainers should be viewed as 'process consultants' rather than 'resource consultants'. Process consultants attempt to help others solve their own problems; in contrast, resource consultants provides
expert information or services, thereby merely transferring knowledge (ILO 1979).

Because expatriates tend to be resource rather than process consultants (ILO 1979), there may be grounds for preferring local trainers. ‘For instance, in Tanzania there is an organization in Arusha called ESAMI (The East and Southern Africa Management Institute) which believes firmly that management development in Africa is an Africa-Africa problem, and therefore they consciously exclude a lot of European input from their programme’ (Coates 1990, p. 9).

The use of local trainers should be encouraged, however, not at all costs. Care must be taken that these trainers have up-to-date knowledge of the industry and are qualified in the use of training techniques discussed above. Thus it may be advisable to use expatriate trainers to start a MDP alongside designated local counterparts, with the pre-planned objective of the locals soon taking over the programme from the expatriate trainers. ILO’s experience confirms this suggestion:

"Inexperienced trainers sometimes use FLP units mechanically. This creates a negative attitude in learners. It is vital that an FLP unit be run by someone trained in the method. This involves working first as a learner, then as assistant trainer and finally as trainer under supervision" (ILO 1985, p. 7).

Further confirmation is provided by the Economic Development Institute’s (EDI) working with the transport and communications divisions of the Eastern and Southern African Management Institute in Arusha to develop new MDPs. Now, ESAMI conducts regularly MDPs without EDI’s support (de Lusigran 1990).

One difficulty with the built-in ‘handing over’ of the MDP to locals is that outside trainers (expatriate or not) are being asked to work themselves out of a job. It may be thus advantageous for sponsoring organizations to link this built-in obsolescence with recruitment into other training jobs in other LDCs, perhaps narrowing the number of its MDP trainers and building a longer term relationship with them.

Given that there are very few managers in some small LDCs such as Lesotho, Rwanda and Cape Verde, establishing a cadre of management trainers for one country alone could be too expensive. This would suggest that regional management development institutions would be more appropriate for many LDCs to share scarce human and technical training resources. This type of regional co-operation would also facilitate sharing of management development experiences within a common socio-economic environment such as language, trade and cultural links (some francophone, anglophone or lusophone African LDCs, for example), island isolation (Tuvalu, Kiribati, Vanuatu, Western Samoa, and the Maldives, for example), or landlocked LDCs (in Central Africa and Afghanistan, Nepal, Bhutan and Laos, for example). Where regional management development institutions already exist and include non-LDC members (ESAMI, for example), quotas for participants from LDCs might be set to ensure that they benefit.

In addition to the considerations above, personal qualities of trainers also play an important role. If the trainer is merely a resource consultant, then knowledge might be the major criteria for choosing trainers. But process consultants must meet also cultural criteria. For example, many Vietnamese
refuse to learn from individuals whose nationality is different from their own (Agnelly 1972). Usually, the trainer should be older, be better educated, appear more prosperous and have more status than the participants. The trainer's authority will also be aided by other authority figures officially opening and closing the MDP, for example, government ministers or prominent business people (Appendix 1).

Trainers can add to their status as authority figures, by making sure that logistical arrangements for participative activities are well organized. Learners are sometimes less tolerant of participative learning situations than they would be of traditional instructional situations. Thus the trainer must rehearse carefully to ensure all materials are available, and be of high quality and free of unnecessary errors (ILO 1985).

In collectivist LDCs, participants will treat appropriate trainers with the deference usually given to authoritative elders, and expect closer one-to-one care from a trainer than in developed countries. Thus trainers should be willing to provide broad directions for MDP sessions, and then spend emotional and intellectual energies on assisting participants to learn within that scope.

The respect for trainers may make participants too passive to benefit from the participatory instruction techniques by being too receptive to prescribed knowledge and not able to get involved themselves in the training activities. So trainers must build on the face-to-face interaction to produce the trust, support and encouragement required for participants to learn from those techniques (Pun 1990). This relationship will provide more of a counselling environment rather than a critically authoritarian one, and be the foundation for eventual transfer of power over their learning to the participants themselves. Experience from Uganda showed this power can be transferred from the trainer to the group of participants by arranging for participants to select a Course Leader from among themselves. This Course Leader then begins to replace the trainer in chairing participants' case study and role play discussions for a brief period of a day or two (Appendix 1).

3.3 Evaluation, application and follow-up

This section will consider two aspects of MDPs: programme evaluation and follow-up activities which would assist the managers to apply their new skills back at their workplace.

3.3.1 Evaluation

An MDP can be measured in four ways, in ascending order of importance to organizations (Smith and Delahaye 1987).

- reaction
- learning
- behaviour
- results

Reaction can be measured by attendance and by questionnaires at the end of each session, module and programme. Learning can be measured with 'before and after tests' or in exercises that embody the programme's desired outcomes.
Thus reaction and learning can be measured in the classroom, but changes in behaviour and results can only be measured back at work. A measurement of these may often indicate no change resulting from the MDP. This may be a reflection on the organization rather than on the participants, the trainers or their MDP. In other words, MDP-caused behaviour and results involve implementation back at work, and so always require support from the participant's organization (Huczynski and Lewis 1979).

3.3.2 Application and follow-up

A MDP must prevent 'encapsulation of training', that is, the training experience is enclosed in a capsule and not applied at work. This can be partly explained by rewards: MDP change outcomes are rewarded by the trainer during the MDP, but not at work.

The first step in application can begin before the MDP, if managers are asked to gather work material appropriate to the MDP, and bring it with them to the MDP. For example, a Kenyan work study MDP asked participants to measure their productivity before the MDP, including information about resources, processes and the time taken for each process.

The next step towards countering encapsulation is to have training materials as realistic and adapted, as much as possible, to the local conditions.

The third step is to incorporate time into the MDP for participants to relate the MDP ideas to their own work experience. Coates (1990) does this in his MDPs:

"In a careful and a caring way, people need to be induced to reveal their own experiences and lead their conclusions to intentions and plans for the future, which in turn will create new experiences... Trainers do not need to have experience of participants' experiences, they need to create an atmosphere that allows participants to relate their own experiences and move forward with them into the future." (Coates 1990, p.6).

Involving the participants' superior in the MDP's final evaluation session is also helpful in this regard, as is collating policy recommendations from participants for anonymous on-forwarding to their superiors.

The fourth step towards countering encapsulation is to arrange follow-up activities such as:

- seminars with participants or guest lecturers presenting papers which extend the concepts covered in the MDP
- action plan for individual project with client
- action plan for group project with client
- individual mentoring and counselling
- further MDP sessions with the trainer
- workshops of participants where one presents his or her problems and the others propose solutions using concepts learnt during the MDP and their own experience.

In addition to these suggestions, follow-up activities could include participant visits to other countries, perhaps along the lines of those
provided by the Association Internationale des Etudiants en Sciences Economiques et Commerciales (AIESEC). In the case of LDC participants, countries visited should be industrially more developed developing countries such as Kenya and Mauritius rather than developed countries, so that lessons learnt can be more easily transferred back to the LDC cultural and economic environment. Visits to other LDCs would probably not be as mind-broadening as visits to more industrially developed developing countries. Experience with fellowships for 33 Ethiopians to visit other countries reinforces this suggestion of participant visits. 'It was the unanimous opinion of all parties that training both in the form of fellowships and study tours was one of the most important inputs of the project... and brought substantial performance improvements to the industries which benefited' (UNIDO 1988, p. 18).

Visits of managers of LDCs to other countries should become an even more important part of management development. As the internationalization of economies accelerates (see section 1.1), LDC involvement requires managers who are outward looking and searching for opportunities beyond their national and regional borders. The relative information sparseness of LDCs (fewer libraries, newspapers, magazines, television channels, and so on) makes visits an important means of building this awareness.

Whichever of the MDP follow-up activities listed above is chosen, arrangements should always be made for participants to meet after the MDP to report to each other on applications of MDP material. For example, participants in a Kenyan MDP found that these follow-up meetings provided creativity and direction, because 'each individual was recognized in an atmosphere of mutual support and commendation' (Safavi and Tweddell 1990, p. 53).

### 3.3.2.1 Action plans and action learning

Of the follow-up activities listed above, action plans are probably the most common, but LDC experience demonstrates the plans should be limited to one project that is within the participant's area of authority. The project should be such that it can be completed in three to twelve months and have a demonstrable effect on how the organization operates. The MDP participant should carry out the project under a supervising manager who agrees that the project is worth doing, who will be influenced by its outcome, and who will decide whether it has been completed (Coates 1990).

After the MDP, trainers should arrange for supervision of participants. For example, a maintenance MDP in Ethiopia even had seminars to train client top managers in supervision of participants' projects.

Action plans could involve individual or group projects. A useful variation on these is 'action learning' projects in which individual participants meet regularly in a group known as a 'set of associates' to share their experiences of undertaking an individual project for a client.

Action learning projects can be enlarged to become the core of a MDP, with the trainers-run sessions being relegated to a support role. An example of this type of MDP is the 18 month, part-time MBA programme of the International Management Centre for Buckingham (IMCB) run in Kenya, Indonesia, Malaysia, Vanuatu and Fiji (Coates 1990). The participants try to introduce change in their own organization through management action.
Similar programmes were organized in Egypt and India. Here the individual managers in the set of associates worked on a problem in another function in another set to make each manager face problems from new angles. 'It is not a question of the blind leading the blind. It is a question of the blindfolded helping the other blindfolded to pull the bandages off their eyes.' (Revans 1986, p. 4).

Jones (1989) suggests that action learning is worth experimenting with in LDCs, because it 'may address the needs of Malawian [and other LDC] managers for security and social interaction while enabling them to identify real problems and to use their shared experience to develop solutions' (Jones 1989, p. 89).

Action learning need not follow an MDP and need not be associated with IMCB programmes. For example, in Nigeria the Eastern Nigerian Development Corporation was seriously concerned about saving over 100 small vegetable oil mills. Arrangements were made for managers of 10 profitable mills to meet with managers of 10 unprofitable mills, without requiring a manager to disclose the state of his or her mill to the others. Aware that they all might soon lose their jobs, the managers simply talked together about managing their enterprises. Within three months the whole corporation was solvent (Revans 1986). The point is that managers in trouble can together learn more from each other than they can from outside experts.

Whether action learning is associated with the sessions of an MDP or is merely an after-training project, several considerations should be borne in mind when action learning is adopted:

- Formal processes of obtaining client support and arranging regular meetings of the sets of associates are essential.
- Learning resources such as FLP modules must be available to the set, as experience shows:

  Trainers who have made special efforts to set-up action-learning groups sometimes find FLP units particularly valuable in providing programmed knowledge that a group needs to solve a particular problem. For example, a group that is trying to solve investment problems might benefit from a four-hour FLP session on capital investment analysis, while another group exploring joint ventures might want a four-hour session from the technology change series (ILO 1985, p. 6).

- The set of associates needs a facilitator for training in team building and problem analysis skills, organizing the learning resources noted above and managing discussions so that it provides sufficient depth of analysis and group support.

Action learning is something which is recommended far more often than it is actually used. Why? One reason may be that it is difficult to implement the three considerations noted above. Another reason may be its emphasis on projects that are essentially an individual's project by each associate, when organizational change is usually a workgroup phenomenon. If the projects were seen as group project rather than an individual's project.
action learning may become far more successful, especially in LDCs with collectivist cultures.

Management development must continue beyond the MDP and be a part of ongoing activities. This will occur if managers learn to continuously learn during the MDP. Learning is an ongoing, cyclic process from planning, through experience and reflection on that experience, to further planning. Action learning may facilitate this process of learning. Interestingly, this cyclic approach to improvement is a key aspect of TQM, which has a similar plan-do-check-act cycle. This is another reason for trying TQM in LDCs in addition to the reasons suggested earlier.
4. POLICY PROPOSALS

This report has reviewed relevant management development experience from several perspectives. A case study on management development in Uganda, summarized in Appendix 1, can give a practical illustration of some of the issues discussed in the previous sections. This section suggests policy implications in the context of LDC's. These implications are grouped into general guidelines and then into suggestions for policies at the national and regional levels and for UNIDO and other multilateral and bilateral agencies:

General guidelines for all policy-makers could include:

- Knowledge and cognitive skills training should be provided to managers, and could be transferred from developed countries (section 2.3.1).

- In addition to knowledge and cognitive skills training, management development should include important training in organizational and behavioural skills and attitudes. Gender issues should be addressed when appropriate (section 2.3.2).

- Training in behavioural skills and attitudes should be grounded in the collectivist culture of LDCs (section 2.3.3).

- Different types of management development may be provided for entry level managers, middle managers, top/senior managers, and development corporation managers (and their boards of directors). Programmes should ensure women's access and participation (sections 2.4).

- Managers may need computer appreciation training before the potential of existing LDC computers can be realized. PCs could be maintained at central offices for use by enterprise managers and their staff (section 2.5).

- MDPs should be designed and delivered for managers and their organizations, with special emphasis on group work, experiential learning, and client manager involvement throughout the MDP and its implementation (section 3.2).

- Management development could be used as a tool for enhancing organizational restructuring of enterprises and their development corporation, so that 'unfreezing' of old managerial patterns is forced to occur (section 3.3.2.1).

Proposals for national policy-makers could include:

- 'Grand designs' for national or sectoral management development should be avoided; rather, the need for management development could be created in association with other aspects of industrial policy, such as partial privatization of some enterprises or the restructuring of development corporations (section 2.4).

- Industrial performance and improved overall utilization of human resources should be the major objective of management development programmes (section 2.3.3).
Coalitions of MDP-sponsoring organizations could be supported and facilitated, and include organizations with a vested interest in the MDP outcomes (section 3.1).

Building up of local training capacity should be an integral part of MDPs (section 3.2.4).

Appropriate entrepreneurship and small-enterprise management training could be incorporated into school, university and apprenticeship programmes to ensure that women are not excluded in terms of either access or participation (sections 2.1 and 2.2).

Adequate management development during privatization and equipment investment negotiations with donor countries and transnational corporations, could be mandated (section 2.4).

Management development institutions could be supported, although this will often have to be done on a regional basis (section 3.3.2).

Proposals for regional policy makers could include:

- The relevance and possible co-ordination of management development institutions and universities could be supported, for countries with similar socioeconomic characteristics (section 3.2.4).

- The understanding of LDC managers could be broadened beyond their national boundaries to the industrially more developed developing countries, through visits and attendance at regional management development institution programmes (section 3.3.2).

Proposals for policy makers of UNIDO and other multilateral and bilateral agencies could include:

- Industry policy actions to complement management development programmes could ensure their outcomes are gains in industrial performance and not simply increases in collectivist prestige (section 2.4).

- Because of its importance to management development, modular, experiential training material on collectivist behavioural skills and attitudes might be developed, possibly in association with ILO. Differences between dealing with workers and with other managers should be included (section 2.3.2).

- TQM could be tried in some selected LDC enterprises, to see if TQM can be modified to provide the 'reconceptualization' of management required in the LDCs. By implication, inclusion of 'blue collar' workers would broaden the recruitment base for potential managers including women (section 2.3.3).

However, these techniques are expensive to establish, as the development of the FLP cognitive skills material demonstrates (ILO 1985). To prevent duplication of similar materials for collectivist behavioral skills, UNIDO
could coordinate the development of modular materials for those behavioural skills.

Policies such as these could assist management development to play its role within the broad range of industrial policies requirement in LDCs.
APPENDIX 1

Case study of management development in an LDC

This is a brief description of the experience of an MDP in an LDC. The case is not presented as a model for others to follow, for a major reason for the failure of any development programme is 'the blind tendency for leaders to standardize all interventions, and the negative interaction effects created in the process' (Paul 1982, p. 232). The case is merely a story of a MDP in Uganda which illustrates many of the concepts developed in the report.

After years of political and economic unrest, the new government of Uganda has set about rehabilitating the economy. With UNDP assistance, the Public Industrial Enterprises' Secretariat (PIES) established programmes for industrial enterprises of the state-owned Uganda Development Corporation (UDC). An early step was commissioning diagnostic evaluations of several enterprises by management consultants. In effect, these evaluations also became a training needs analysis for development of the enterprise managers.

A coalition of PIES, UDC and their Ministry set up a five-day MDP for the chairman of boards, directors, managing directors and senior management of the enterprises. Some UDC staff also attended the MDP. Two expatriate trainers were recruited, and they modified their materials with local trainers who were told that they would soon take over presentation of the MDP. That is, the MDP materials - centred on a simulation, and on several case studies and role plays - were localized so that they reflected Ugandan conditions. Software on personal computers (PCs) allowed the trainers to make these changes very quickly.

After this trial, a real MDP began. Some of the participants were very experienced business people, but some had no business experience at all. In a number of cases some participants were not convinced to attend the MDP. But they were convinced by the enthusiastic support from the MDP, the PIES Director and his Chief Technical Adviser. They were told that attendance at the MDP might affect the level of support their enterprise would receive from PIES.

The MDP was opened by the Deputy Minister. The trainers, all in their late forties, introduced themselves. They established their authority by noting their numerous degrees, publications, and consultancies, and their management background in both private and public sectors. Then they disclosed personal details about themselves such as the size of their families and their anxieties about the MDP.

After this introduction, groups of participants worked through several experiential exercises which usually ended with discussions of their application in Ugandan management practice. One of these exercises was a PC assisted simulation of enterprises within a 'UDC'. At the start of each module or section of the MDP, the trainers provided a structure of clearly stated objectives and plan of activities. But after this start, the trainers' influence was deliberately and gradually diminished. Indeed, after one day of the MDP, the participants selected one participant to replace the trainers in the chairing of discussions.
During the MDP, a very distinguished local businessman, the PIES Director and other PIES staff played senior roles in the role plays. The local trainers watched and assisted the expatriates.

At the end of the MDP, the PIES Director led the participants in a review of the MDP, and in a discussion of action plans for enterprises and the UDC arising from the MDP. In a closing ceremony, the PIES Director presented participants with a certificate, and the Minister spoke of the importance of the management of their enterprises to the nation.

The two trainers then wrote an instructor's manual containing detailed guides to each session, including overhead transparencies and PC programmes and left. Since their departure, the local trainers presented twice on their own successful MDPs.

After the MDPs, the PIES has recruited teams of consultants to counsel (but not direct) the enterprise managers, run a workshop to establish action learning groups among the managers, and developed an MDP for marketing skills.
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