

**CENTRAL CONNECTICUT STATE UNIVERSITY**  
**Management Training and Economics Education**  
**in**  
**Eastern and Central Europe**  
**Grant No. EUR-0029-G-00-1039-00**

**FOURTH QUARTERLY REPORT**  
**April-June, 1993**

**I. Administration:**

With this fourth quarterly report, Central Connecticut concludes its activities for the second year of this project. The grant is within budget; in fact, we continue to project a positive remaining balance of \$69,592 as of June 30, 1993. A.I.D. Washington has granted us a no-cost administrative extension through August 31, 1993. This will permit us to continue a long-planned market economics training project in July and to meet current operating expenses as we await official "word" from the A.I.D. Washington contracts office on our program continuation and Center for Excellence proposals.

Professor Kremens spent the periods April 25-May 8 and May 26-June 2 at Central Connecticut State University. He devoted considerable time to meetings with subproject coordinators and to meetings on recordkeeping and bookkeeping. He spoke at Connecticut's Polish-American Day celebration, May 3, at the State Capitol and was interviewed by the local Polish-language television station.

Professor Andrzej Wiszniewski, Rektor of Politechnika Wroclawska, visited the University May 24-30, 1993. During his visit he met with current CCSU subproject coordinators and other colleagues who we hope will be involved in third year activities in Wroclaw. He and I met with President Joseph Gore of the Kosciuszko Foundation, New York City. We both spoke at a general meeting of the General Jozef Haller Post of New Britain, and the Rektor was interviewed by the local Polish language television station. On May 28, CCSU bestowed upon Rektor Wiszniewski the degree Doctor of Science *honoris causa* in recognition of his and his TUWr colleagues' exceptional work on this grant project at our 143rd Undergraduate Commencement ceremony.

Of related interest given A.I.D.'s substantial interest in the promotion of democracy in eastern and central Europe, on July 17-25 Central Connecticut, in cooperation with Prof. Dr. Reinhard Mussgnug of the University of Heidelberg, will conduct a Workshop entitled "Public Administration in a Democracy" in Rastatt, Germany, New Britain's sister-city. Twenty-two Polish professionals will attend the Workshop (Attachment A) which is funded by the Sparkassen Finanzgruppe Baden.

Politechnika Wroclawska continues to excel as an institutional partner and we look forward to working with it for years to come. Professor Kremens and the TUWr coordinators merit high marks for their outstanding work and dedication to our cooperation.

## II. *Subprojects:*

### A. *Subproject #1: Institute for Business Studies*

**CCSU Coordinator: Professor Patricia Sanders**

**TUWr Coordinator: Professor Zofia Krokosz-Krynke**

Training sessions were conducted at TUWr April 19-25 on "Basics of Accounting," May 24-30 on "Managerial Finance," and June 21-27 on "Dynamics of Organization and Human Resource Management." These sessions complete the A.I.D.-funded subproject for the Amendment Year.

TUWr professors Peter Malec and Irena Filatow worked on content and pedagogical strategies with CCSU Professor Steven Moscovice during the April 19-21 pre-I.B.S. session. TUWr Professor Zofia Krokosz-Krynke was ill for the whole of the session and, therefore, did not participate. In particular, Professor Moscovice provided extended treatment of financial statements and ratio analyses. He also explored the differences in American and Polish accounting standards and coached his Polish colleagues in how to present the material effectively in classroom situations and how to provoke small group discussions on the material.

Professor Moscovice and TUWr professors Malec and Filatow then presented the "Basics of Accounting" I.B.S. training session April 22-25, 1993 at TUWr. The topics covered included general rules of accounting, financial accounting, managerial accounting, accounting cycles, revenue and expense accounts, adjusted trial balances, adjusting entries, closing entries, Polish financial statements, international standards of accounting, ratios, financial vs. cost accounting, cost classification, cost drivers, costs as assets and expenses, inventory costing methods, flexible budgets, variance analyses, job order and process costing, cost centers, profit centers, and annual reports.

Instruction was provided through lectures, group problem solving, and the case study method. Professor Moscovice provided excerpts from his Accounting Fundamentals for Non-Accountants and from Cost Accounting by Horngren and Foster. He also distributed to the twenty-six participants copies of the Harvard Business School case study "Assuming Control at Altex Aviation (A)" and the 1991 Annual Report from the Polish Bank Rozwoju Eksportu S.A. Professor Moscovice spent his primary classroom time on instruction in designing an accounting system to accumulate relevant information for a company's financial statements. Professor Malec concentrated on ratio analysis and how ratios aid a company in making business decisions. Professor Filatow concentrated on basic manufacturing systems for accumulating a company's production costs and on the important topic of cost/volume/profit analysis and how this is used to help a company plan, control, and make business decisions. Professor Malec also explored the differences and similarities between Polish and American accounting standards and was the lead professor in the section on annual reports.

The fourth session of the Institute for Business Studies was conducted at TUWr May 24-30, 1993 by CCSU Professor Mary Cutler and TUWr professors Gabriela Paszkowska, Leszek Jurdzia, Zofia Krokosz-Krynke, and Wieslaw Dobrowolski. TUWr Professor Piotr Malec provided technical assistance by installing software to provide network capability so that Professor Cutler could work simultaneously with her Polish colleagues. On May 24-26, Professor Cutler explored content material and teaching strategies for the upcoming formal I.B.S. session. In particular, she clarified a number of financial principles at work in a market-driven system and met individually with each of her Polish colleagues.

From May 27-30 the lead TUWr professors, Paszkowska and Jurdziak, and Professor Cutler presented the formal I.B.S. session, "Managerial Finance: Principles and Analysis." Primarily, the session focused on the relationship between risk and return; the time value of money; and the benefits of diversification. It also gave extensive treatment to "how to" evaluate financial performance; analyze financial performance; identify problems; and solve problems. The professors also explored how financial markets work. The twenty-seven participants expressed keenest interest in risk evaluation, cash estimation, methods of evaluating investments, and the concept of time value. Professor Krokosz-Krynke reports that the professors utilized such teaching approaches as lectures, exercises, case studies, and group discussions and that the A.I.D.-funded microcomputer laboratory was very helpful in exercises to plan cash budgets, test credit worthiness, and make sensitivity analyses.

Professor Cutler reports that the session "went extremely well." She was particularly impressed by the strong preparation of the TUWr professors and their ability to use interactive learning strategies.

The fifth session of the I.B.S., and the final A.I.D.-funded session of the Amendment Year, was conducted at TUWr, June 21-27, 1993 by Professor John Yanouzas. In preparing the session beginning June 1, Professor Yanouzas worked closely with Professor Duda of TUWr and Professor Anna Kijewska of The Technical University of Gliwice. The Polish professors prepared the first draft of the session's content. Professor Yanouzas revised it, and then the professors worked independently in advance of June 21 to prepare their individual presentations.

From June 21-23, at least six hours each day, Professor Yanouzas presented a seminar on Teaching Human Resource Management and Group Dynamics to TUWr professors Wieslaw Dobrowolski, Leszek Duda, Leszek Jurdziak, Zofia Krokosz-Krynke, and Zofia Wilimowska and TU Gliwice Professor Anna Kijewska. During this time Professor Yanouzas suggested content changes in lectures and discussed problems in managing organizational changes. The Polish professors, Professor Krokosz-Krynke reports, sought advice on how to deal with control systems in organizations and how to identify and "avoid" "the main threats in managing changes."

From June 24-27 Professors Duda, Kijewska, Jurdziak, and Yanouzas presented the formal I.B.S. session, Human Resource Management and Organization, to an average of 25 participants. Professor Yanouzas reports that English was used largely in presenting conceptual material and during class discussions, but "to facilitate learning and speed up the process Polish was used also.... One case and exercise were presented in Polish. Instructions for most exercises was explained in Polish." In his judgement, "the mix of English and Polish... seemed to be an effective method. This not only helped participants, but it also gave the Polish instructors the opportunity to get more comfortable with the material in their own language."

The topics covered included human resource planning; recruiting, selection, interviewing; training and development; performance appraisal; organization design and job analysis; job design; compensation; managing effective work-force relations; organizational cycles; managing innovation and change; managing resistance to change; managerial decision-making; effective decision-making processes; team synergy skills; group dynamics; creativity in decision-making; managing teams/groups; integrating organizations; antecedents to conflict; and managing conflict. A variety of teaching strategies, including lectures, exercises, case studies, group discussions, class discussions, and video tapes were used to convey the content.

This session was very highly regarded, judged by the participant evaluations. Professor Yanouzas reports that "the Polish instructors were good at showing how material may be used in the Polish reality" and that "the audience seemed to be tough and critical but appreciative of our effort to deliver interesting material using an engaging methodology. I left the program feeling drained but satisfied."

**B. *Subproject #2: In-house Executive Training, KGHM***

***CCSU Coordinator: Professor Henry S. Enck***

***TUWr Coordinator: Professor Wojciech Myslecki***

***Subcontractor: ZIVEX, J. Thomas Hexner, Chairman***

The final session of Subproject #2 took place June 14-19, 1993 in Lubin and Wroclaw, Poland. From early in the morning to late at night, a total of fifty-six hours of formal sessions and substantial additional hours in informal sessions, ZIVEX Chairman J. Thomas Hexner and ZIVEX Managing Director G. Lee Humphrey worked with three different groups on the general subjects of business management, finance, human resource management, and business and privatization strategies.

The first group consisted of TUWr Professor Gabriela Paszkowska, Dr. Adam Turczinski, Director of Problem Loans for Bank Zachodni, and Mr. Marian Krzeminski, Director for Corporate Development and Strategic Planning at KGHM. For this group, the training emphasis was upon the case method of instruction and other business training techniques such as role playing. Since this was ZIVEX's final A.I.D.-funded visit to KGHM, this investment of time was well worthwhile as these Polish colleagues are expected to continue executive training at the holding company in the future.

The second group consisted of select upper and senior management at KGHM, thirteen in number. Their sessions were principally devoted to case method analyses of aspects of the general subjects cited above. The third group consisted of key KGHM decision-makers: Mr. Krzeminski, Dr. Adam Siernoski, Project Director, Dr. Izabela Kostka, Director of Communications, and Dr. Tomek Bluzinski, General Counsel. This nine-hour session, the afternoons of June 16 and 17, focused upon implementation of a privatization strategy, a major sustainability factor in this subproject, the organization of the core copper business, vital to KGHM's future, and the ramifications of privatization and foreign investment on the region of Silesia, in itself a momentous topic.

In preparation for this session, ZIVEX delivered English language versions of the case training material to KGHM about April 15. All told, Professors Hexner and Humphrey utilized nine different case studies on such topics as corporate mergers, capital budgeting, corporate acquisitions, and alternative sources of financing. The material was translated into Polish by KGHM personnel, reviewed by TUWr professors, and distributed to the participants about one week prior to the session.

On Friday, June 18, ZIVEX and KGHM co-hosted a formal certificate ceremony at which Dr. Krzysztof Sedzikowski, Vice President for Corporate Development and Strategic Planning, presided. Both he and Professor Myslecki spoke about the importance of management training in this period of economic reform in Poland. Thirty-one KGHM personnel, including six women, received certificates.

Professor Hexner reports that "the top and senior KGHM management participants continued to learn from one another and to see more and more that adapting to the free market requires as much judgement as it does technical skills." In addition, the business strategy prepared in ZIVEX's previous visit has now been signed by the Board of Directors of KGHM and approved by its supervisory board. It has been "used virtually unchanged as the vehicle of discussion with the Minister of Privatization in Warsaw," Professor Hexner also reports.

In addition, ZIVEX has been urged by Mr. Tadeusz Borysiak, Director of the privatized KGHM Training Center, to continue its training activities in Lubin. Professor Hexner is preparing a briefing document for Mr. Borysiak on how foreign assistance might be sought. In their discussions, he placed "heavy emphasis... on the self-sufficiency aspect of training and [insisted] that any foreign assistance should be considered short-lived."

Finally, it is interesting to note that at the farewell dinner at the Lubin Mine Cultural Center, the financial director of the Lubin mines paid tribute to the case method of instruction. "He stated," Professor Hexner reports, "that text books and lectures were a system [of instruction] to which the Polish people were accustomed. However, he could think of no better way of learning management and re-engineering the minds of people schooled under the previous regime than the case method."

For the past two years ZIVEX has negotiated a number of very real "land mines" set in the landscape of KGHM. They arrived at a time of paranoia about and hostility toward "foreign experts." They leave commanding the professional respect of KGHM leadership, both Warsaw-assigned and Lubin-grown. This is but one of ZIVEX's substantial accomplishments in this subproject.

There were no Subproject #2 activities scheduled during the first two months of this quarter.

### **C. *Subproject #3: Banking Fundamentals***

***CCSU Coordinator: Professor Larry Lawson***

***TUWr Coordinator: Professor Danuta Domagala***

The March 30-April 2, 1993 session of Subproject #3, which focused on international trade banking and strategic planning, was conducted by Professor Lawson and Shawmut Bank Connecticut Vice President Paul Pirotta at the Bank Zachodni training center in Karpacz.

The international banking topics covered included risk components in foreign trade, commercial letters of credit, stand-by letters of credit, banker acceptance financing, international payments and collections, trade finance, and foreign currency management. The thirty-nine participants expressed considerable interest in export finance assistance even though most of their business is in import finance. Vice President Pirotta encouraged the participants to use the export finance assistance plans of other countries to assist them in reducing risks and the cost of funds when importing. Professor Lawson reports that he and Mr. Pirotta "stressed that although some of the material covered methods beyond their current capacity, our visits were [intended] to give them goals and direction as well as to help them with specific operating problems today."

For the strategic planning segment of the session, Vice President Pirotta and Professor Lawson utilized as a case study the strategic plan devised last Fall by Shawmut Bank Connecticut for its international banking unit. This focus and emphasis on strategic planning, Professor Lawson reports, "seemed to give the participants insights in many areas. Not only did they begin to see organizational missions as customer and profit focused, but they also saw organizational structures as a variable .... [It] gave them a look at bank cost allocation methods and risk-based capital allocation practices in American banks. The latter topic seemed to be one that most were not aware of at all."

Finally, Professor Lawson reports that "the program went very well from what we could see.... Participants were enthusiastic and conscientious." A generous number of hand-outs were prepared especially for this session and distributed in multiples.

Professor Lawson and I have had continuing discussion with our TUW colleagues about the inclusion of participants from a larger number of Polish banks. Our fear was that Bank Zachodni, even though it provided the training facility and translators, might benefit unduly from a training program designed to attract as broad a banker audience as possible. I attach (in Polish with English translation) a copy of the letter Bank Zachodni sent to nine Polish banks, three in Wroclaw, the others in Krakow, Szczecin, Warsaw, Katowice, Poznan, and Gdansk, inviting their participation in this subproject (Attachment B).

I also include (in Polish with English translation) a copy of a letter to Professor Domagala from Mr. Andrzej Charendarz, Director of the Bank Zachodni Personnel Department, which we requested in order to clarify several points (see Attachment C). For instance, the Polish bankers were most keenly interested in home or flat mortgage processes. They were also quite interested in various aspects of the general topic of credit. Mr. Charendarz also points out the difficulties Polish bankers have right now with considering the adoption of certain American banking practices for a variety of reasons, not the least of which is technological.

Given the dissimilarities in banking climates in Poland and the United States, coupled with the Polish bankers' oft-expressed desire to meet with American bank practitioners primarily, we were also interested in knowing what precisely Polish bankers had adopted from the various training sessions we have provided. Mr. Charendarz points out specifically, for example, that the various methods for establishing creditworthiness and measuring other risks associated with credit assessment have been adopted by Bank Zachodni. Mr. Charendarz appended to his letter a list of "seminar topics" desired by Bank Zachodni. I attach a copy (with English translation) for your information (Attachment D).

Through administrative and subproject savings, we were able to present a second "add-on" session of this subproject at the request of Polish banking officials in Lower Silesia. The Polish officials specifically requested President Richard Mansfield and Vice President Terri Sasinski of the Peoples Savings Bank of New Britain as the trainers. The session, May 24-27, was held at the Bank Zachodni training center in Karpacz. Thirty senior bank managers from five Polish banks, though mostly Bank Zachodni branches, participated. The participants, twenty of whom are women, came from Lower Silesia and some eleven cities outside the region including Kielce, Leszno, Gdansk, Warsaw, Krakow, and Szczecin. Bank Zachodni also provided translation services.

The thirty-hour session over three and one-half days focused on the following topics, all requested by the Polish bankers: marketing strategies; banking products and services; marketing in a bank branch office; human resource management in American banking (including career planning, employee and work assessment, recruitment and selection of employees, and performance reviews); how to organize and run training sessions; and risk management.

Included among the several inches of training materials Mr. Mansfield and Ms. Sasinski provided were "principles of effective customer service", "principles of quality", "principles of profit", "the death of customer satisfaction", "breakthrough concepts for achieving quality objectives", "develop a management process", "service quality process", and several pieces on such topics as financial service marketing, monitoring change in the external environment, market planning, advertising, and site location analysis. They also distributed a number of evaluative and other materials within the general category of human resource management and the Peoples Savings Bank of New Britain Employee Handbook.

Mr. Mansfield and Ms. Sasinski deliberately created a classroom atmosphere that produced lively discussion, something quite new for a number of the participants. He reports that the participants, though they were senior banking officials, could not quite grasp competing with each other, cross-selling, leaving one's job for a new one, the range of human elements involved in decision-making, and the importance of motivation through incentives.

In general, Mr. Mansfield and Ms. Sasinski report that the bankers under age 35 seem frustrated and that those over age 55 want no change at all. While they found the session "much more challenging this time," they also observe that the participants could not answer the question, "how do you get ahead?" and that senior-level "real" management continues to be in short supply. They believe that the session raised more questions than it answered. To their credit, they spent about three hours each evening adapting the next day's presentation to the bankers' requests.

Especially in light of the difficulties and uncertainties faced by Polish banks in the past two years, Professor Lawson and our bank practitioner trainers deserve our commendation and gratitude for a job well done.

**D. *Subproject #4: Export Marketing***

***CCSU Coordinator: Professor Patricia Sanders***  
***TUWr Coordinator: Professor Artur Olszewski***

The training sessions for this subproject for this year have been completed. Twenty-five Polish participants, seven of them women, received certificates of program completion. The TUWr professors involved in Subproject #4 continue their involvement in Subproject #1.

**E. *Subproject #5: Organizational and Managerial Communication***

***CCSU Coordinator: Professor Scott Olson***  
***TUWr Coordinator: Professor Jan Waskiewicz***  
***UWr Coordinator: Professor Marcelina Zuber***

While the A.I.D.-funded, CCSU-delivered portions of this subproject have been completed, the final three sessions of this activity, ones conducted by our colleagues from The Technical University and the liberal arts University in the Polish language, were presented during the months of April, May, and June. These "add-on" sessions fall within the general rubric of social communication.

During the period April 22-25, UWr Professors Boguslawa Dobek-Ostrowska and Marcelina Zuber, Mariusz Urbanek, a local journalist, and TUWr attorney Krzysztof Zuber presented Communication Law and Ethics for twenty-five participants. A variety of monographs, articles, and case studies, provided by CCSU professors, were distributed to the group. Our Polish colleagues also distributed a substantial amount of material on Polish and American copyright law and on codes of ethics. The Workshop reviewed major ethical issues in communication as well as Polish and international communication law. Drawing from teaching strategies introduced in earlier A.I.D.-funded sessions, the Polish trainers utilized role playing and case studies as well as the more traditional lecture format.

On May 20-23 UWr Professors Wojciech Sitek, Ryszard Lukaszewicz, Ziad Abou Saleh, and Marcelina Zuber, all from the Institute of Sociology, presented a Workshop on Intercultural Communication for twenty-five participants. Once again, our Polish colleagues distributed monographs and other materials made available by CCSU professors and assembled from their own research in Polish repositories. The Workshop explored such topics as intercultural communication, cultural diversity, ethnocentrism versus cultural relativism, intracultural communication, intercultural communication, and multicultural organizations. Drawing from diverse cultures, the trainers utilized a variety of case studies as well as role playing and traditional lecture approaches.

The final Polish-taught, Polish language session in Social Communication, Public Speaking and Correspondence, was presented June 3-6 by several professors, mostly from TUWr's School of Polish Language for Foreign Students: Halina Ostaskowicz-Bazanowa, Malgorzata Stawska, Helena Kajetanowicz, Dorota Ruta, Grazyna Balkowska, Marek Zimnak, Marian Gorecki, and Jan Waskiewicz. They covered such topics as Linguistics, public speaking, effective discussion, written communication, and the art of communication. TUWr Rektor Andrzej Wiszniewski presented a special public lecture on effective communication of the results of technical research prior to the June 4 diploma ceremony. The participants received some 100 pages of relevant materials and a new monograph on linguistic problems in the modern Polish language. Each of the participants had the opportunity to be interviewed by a television reporter and to review the footage of the interview. The diploma ceremony was covered by local journalists and radio reporters.

Importantly, Professor Waskiewicz reports, and "spontaneously," following the ceremony the graduates formed an alumni association, "TASKS" (Towarzystwo Absolwentow Studium Kommunikacji Spolecznej), naming messrs. Cieslinski, Tarczewski, and Luszpinski officers, and began collecting association dues from all those present. The first items of business for the association are a newsletter and a reunion. In Professor Waskiewicz's words, "it shows how successful the workshops were, and how important they can be." We expect this new association to be a substantial factor in the sustainability of this activity in years to come.

Professor Olson, traveling on funds generated from administrative savings, spent considerable time during the first week in June in Wroclaw, working with his coordinator colleagues on program assessment, evaluation, and planning for

sustainability. In hopes of program continuation funding, he and they also began planning for third year activities and met with the approximately ten TUWr and UWr faculty members who will teach next year's program in partnership with the CCSU instructors and business practitioners. As Professor Olson notes in a recent fax to his counterparts, "we need these professors to be able to take [responsibility for teaching] these classes on their own by the time the year is over." On his trip to Wroclaw, Professor Olson stopped in London to meet with executives from Video Arts Production Limited regarding third year program content.

I include for your information a copy of an article by Carol DeChant, the public relations professional who was a presenter in our December session of Subproject #5 (Attachment E). I also include a copy of a letter from Margaret Tree, Managing Director of Video Arts Production Limited of London, England, to Professor Olson (Attachment F). The letter indicates Ms. Tree's interest in doing business in the United States, an interest which would entail providing jobs for American professionals here.

This subproject has enjoyed remarkable success this past year, both for individual participants and for the group collectively. Much of this success can be attributed to Professor Olson's unique ability to listen, to draw out his Polish colleagues, and to develop workshop programs true to the letter and spirit of this grant and, at the same time, of compelling interest to the participants themselves. Needless to add, Professors Waskiewicz and Zuber are exceptionally dedicated to this activity and quite effective.

**F. *Subproject #6: Economics Education for Lower Silesian High School Teachers***

***CCSU Coordinator: Professor Ronald Daigle***  
***TUWr Coordinator: Professor Lech Stefan***

During the last quarter of the Amendment year, Professors Daigle and O'Connor have spent considerable time preparing for the July session of this Activity. A large amount of instructional material has been sent to Wroclaw for translation and dissemination to the participants. Professor Daigle continues to work closely and well with the TUWr Teaching Assistants.

Professors Daigle and Paul L. Altieri have compiled the pre- and post-test results for this subproject in the Amendment Year. They administered a 33 question test to the participants in the July, 1992 session on free market economics, the same test they administered last year to the Solidarnosc workers' council heads, the majority of whom are factory workers without university training. They were not surprised to learn that the high school teachers scored higher than the workers' council group, although the teachers' post-test scores represented a 27% improvement over their pre-test scores. For the third year, they plan to revise the test of microeconomic concepts to increase its level of difficulty.

They also administered a 20 question test to the participants in the January, 1993 session on macroeconomic issues and topics. The post-test score on this exam was 38.4% higher than the pre-test score. They expect to expand this test to 35 questions for the third year.

Professor Lech Stefan reports that the Facilitators have trained 831 Solidarnosc workers' council heads as of March 31, 1993. He projects a grand total of 1106 trained by June 30, 1993. We will meet our ultimate goal of 1,400 trained by December 31, 1993.

### *III. Success Stories*

It is always gratifying for our professors to learn that their students are putting to immediate use the knowledge acquired. The following are examples from Subproject #5:

- \* Antoni Tarczewski, Managing Director of ZTM Zakład Badawczo-Wdrożeniowy, consulted extensively with Ms. Carol DeChant, the Chicago public relations practitioner who participated in the December Workshop, prior to preparing a media presentation. He will use the negotiating techniques learned in the February session to negotiate a contract for a joint venture with Southern Ambulance Builders. This partnership between an American and a Polish company will produce several hundred high-tech ambulances each year.
- \* Jarek Łuszpinski, distribution manager for Monacor LSB Electronic, is using the communication principles learned in this activity to redesign training curves for his sales force. Using these techniques, his own performance has been equivalent to about four of his co-workers. He has turned sales around from a deficit situation last year to a profit this year.
- \* Qualitative factors, I think, are hard to quantify. Individual anecdotes are impressive. But Professor Olson reports, and I agree, that "the most gratifying and remarkable successes were of a more 'collective' nature." While walking back to his hotel one evening after one of the June sessions, he came upon a group of nine participants socializing together. They had been strangers when the subproject began. "They were engaged in an animated and intense conversation," Professor Olson observes. "This illustrated again a comment we had frequently heard from the participants and the instructors: that because of the collegial atmosphere created in the workshops, the breaks became an extension of the content. Discussion of communication topics moved into the hallways, lounges, and restaurants; participants formed new relationships with others interested in the same things."

*[end of report]*

**ATTACHMENT A**

## **List of Participants in the July Workshop In Rastatt, Germany**

### ***From Jelenia Gora:***

Anna Gorka, Senior Voivode Inspector, Division of Finance  
Lilianna Przybyłek, Department of Economic Development

### ***From Legnica:***

Jerzy Ciesiula, Chairman of the Division of Civic Affairs  
Katarzyna Dol, Province Inspector  
Regina Gajek, Province Inspector  
Elzbieta Kurzydło, Province Inspector

### ***From Walbrzych:***

Zbigniew Bartnik, Director, Office of Bystrzyca Kłodzka  
Krzysztof Budnik, Chairman of the Division of Civic Affairs  
Andrzej Kosior, Voivode Assistant for Restructurization  
Kazimierz Kozakiewicz, Manager of the District Office

### ***From Warsaw:***

Kazimierz Pawlikowski, Office of Public Administration at the Cabinet

### ***From the Wrocław Municipal Administration (City Hall):***

Grzegorz Roman, Head of Organizational-Legal and Personnel Department  
Maria Włodarczyk, Organizational-Legal and Personnel Department

### ***From Wrocław Voivode Office:***

Aldona Tomczyk, Department of Technical Infrastructure  
Elzbieta Grzywoicz, Deputy Director of Planning and Finance Department

### ***From Wrocław Technical University:***

Andrzej Kaczkowski, Director of Administration  
Artur Olszewski, TUWr Congress Organizing Center  
Leonard Garczynski, Translator

### ***From Wrocław Department of Education:***

Jerzy Dziurawiec, Head of Organizational-Legal and Personnel Department  
Wojciech Malecki, Head of Regional Methodical Centre  
Włodzimierz Patalas, Vice Superintendent, Department of Education  
Leszek Pawlak, Head Representative, Wrocław II

**ATTACHMENT B**

Ladies and gentlemen,

We cordially inform you that Bank Zachodni Wroclaw is organizing a Seminar by Paul Pirotta, Vice President of the Connecticut National Bank in the United States. The Seminar will be held from the 30th of March until the second of April, 1993 in the Educational Center of Bank Zachodni in Karpacz, #3 Armii Krajowej. The participants are to cover their accommodation expenses which is 150,000 zl. per day. One may come the day before, i.e. one day before in the afternoon or evening. Supper is foreseen at 7:00 p.m. The participants will be provided with a timetable in Karpacz. Any candidate should confirm his willingness to attend this course by the 23rd of March to the department of personnel of Bank Zachodni Wroclaw, tel. # 44 54 11, ext. 245 or fax 349 17.

Seminar Outline:

1. Introduction to International Banking:
  - a. Organization and Rules
  - b. Global Financial Markets
  - c. Analyses of International Risk
2. Risk Components in Foreign Trade
3. Commercial Letters of Credit
4. Banker Acceptance Financing
5. Stand-by Letters of Credit
6. International Collections
7. International Payments
8. Trade Finance
9. Foreign Currency Management

Copied to:

1. Industry and Trade Bank in Krakow
2. Coastal Credit Bank in Szczecin
3. Popular Credit Bank in Warsaw
4. Silesian Bank in Katowice
5. Wielkopolski Credit Bank in Poznan
6. Gdansk Bank in Gdansk
7. Lower Silesian Commercial Bank in Wroclaw
8. PKO branch, Wroclaw
9. Cuprum Bank in Wroclaw

BEST AVAILABLE DOCUMENT



CENTRALA

Pani/Pan

Uprzejmie informujemy, że Bank Zachodni SA Centrala we Wrocławiu organizuje seminarium z P. Paulem Pirottą V-ce Prezesem Narodowego Banku Connecticut ze Stanów Zjednoczonych. Seminarium odbędzie się w dniach 30.03.-2.04.1993r. w Ośrodku Banku Zachodniego SA "Carmen" w Karpaczu, ul. Armii Krajowej 3. Uczestnicy pokrywają tylko koszty pobytu w OSW "Carmen" w wysokości ok. 150.000,- za dobę. Na seminarium można przyjeżdżać w dzień poprzedzający zajęcia tj. 29.03.1993r. w godz. popołudniowych i wieczornych. Kolacja w tym dniu przewidziana jest o godz. 19.00. Szczegółowy rozkład dnia podany zostanie uczestnikom na miejscu. Kandydata prosimy zgłaszać do dnia 23.03.1993r. do Departamentu Kadr Centrali Banku Zachodniego we Wrocławiu tel. 44-54-11 w. 245 lub faxem 349-17.

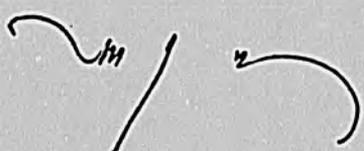
Tematyka seminarium:

- 1/ Wprowadzenie do bankowości międzynarodowej:
  - a/ organizacja i rola,
  - b/ globalne rynki finansowe,
  - c/ analiza ryzyka międzynarodowego.
- 2/ Składniki ryzyka w handlu zagranicznym.
- 3/ Komercyjne listy kredytowe.
- 4/ Finansowanie akceptacji /potwierdzeń/ bankierskich.
- 5/ Listy kredytowe oparte na analizie kondycji.
- 6/ Rachunki międzynarodowe.
- 7/ Płatności międzynarodowe.
- 8/ Finansowanie handlu.
- 9/ Zarządzanie zagranicznymi środkami płatniczymi.

Otrzymują:

1. Bank Przemysłowo-Handlowy w Krakowie
2. Pomorski Bank Kredytowy w Szczecinie
3. Powszechny Bank Kredytowy w Warszawie
4. Bank Śląski w Katowicach
5. Wielkopolski Bank Kredytowy w Poznaniu
6. Bank Gdański w Gdańsku
7. Dolnośląski Bank Gospodarczy we Wrocławiu
8. PKO I/O we Wrocławiu
9. Currum Bank we Wrocławiu

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**ATTACHMENT C**

Wroclaw, March 15, 1993

Technical University of Wroclaw  
Coordinator, Banking Program  
Danuta Domagala

On the basis of the opinions obtained from those who attended most of the seminars by representatives of American banks and Central Connecticut State University, we would like to present some remarks obtained from them.

Generally, it must be stated that the seminars delivered by the University and bankers in certain areas allowed the members of the staff of Polish banks to get more familiar with the operation of U.S. banks. We had an opportunity to get acquainted with different financial systems, different operations, and a variety of services. Presented teaching materials showed us a broader view on the general problems of banking. Particularly, this program was concentrated on subjects related to credit activities. It helped us to increase our knowledge of factors which are necessary for the estimation of risk and for the conditions which have to be established by banks for those who are applying for credit. Mostly, these topics have been theoretically oriented, allowing our staff members to understand the different types of credit and the procedures of their acceptance as well as the problems of relationships with customers. The seminar on housing credits enjoyed the most interest from the Polish side because of the fact that now days we introduce similar types of credits in Poland. Small, practical usefulness of some knowledge gained during the seminars- one may point out- arises from the differences of law and regulations of Polish and American banking systems.

Some subjects are almost utterly impossible to implement in Poland. Differences are coming from technical abilities. For example, computerization of most operations performed while analyzing credit in the U.S. [are not possible in Poland now]. Increases in information about the potential customers results in minimalization of the credit risk. Unstable economic situation in Poland is also the reason that some of the solutions [delivered during the seminars] cannot be implemented in Polish conditions. Maybe when we gain a stable economic situation, most of discussed topics would be practical and useful.

One should point out that in spite of the great number of differences between both sides (both financial systems), the staff of American and Polish banks face the same problems in their work. Particularly, they concern the problems of methods of analysis of credit receivers, insurance of the mortgage, classification of credit receivers and protection of mortgage payments. One may conclude that the knowledge of Polish bank staff members is not worse than their American colleagues. The differences



arise from abilities of using such facilities like: technical equipment, computer equipment, and teletransmission networks. Many participants of the seminars stated that getting acquainted with methods and rules, for example of credit, helped them to implement similar methods in their work. Bank Zachodni has already got the set of measurements which are helpful in proper assessment of the credit worthiness of applicants. The perfect organization of work and administration of American banks should be followed by Polish banks.

Most of the participants in our seminars concluded that the most useful seminars were those delivered by practitioners, i.e. bank representatives. Lectures by Professor L. Lawson on theoretical banking problems using statistical methods were very interesting. However, it's almost impossible to implement these ideas in our Polish reality. Particularly successful were seminars by R.S. Mansfield.

We are enclosing the list of the topics that Bank Zachodni is interested in. We would appreciate if you could meet our needs.

Sincerely,

Director of the Personnel Department  
Mr. Andrzej Charendarz





CENTRALA

WROCLAW, 15.03.1993r.

POLITECHNIKA WROCLAWSKA  
Koordynator programu  
"BANKI"  
DANUTA DOMAGAŁA

Na podstawie opinii otrzymanych od osób najczęściej uczestniczących w seminariach z przedstawicielami Banku i Uniwersytetu Connecticut pragniemy przedstawić nadesłane uwagi.

Ogólnie należy stwierdzić, iż odbyte szkolenia pozwoliły w pewnym zakresie zapoznać pracowników banków polskich z zasadami funkcjonowania banków w Stanach Zjednoczonych. Mieliśmy okazję zapoznać się z innym systemem finansowym, operacjami oraz rodzajami usług. Przedstawiony materiał szkoleniowy pozwolił na zmianę spojrzenia na problematykę bankową w szerszym zakresie. Szczególnie uwypuklił zagadnienia związane z działalnością kredytową. Pozwolił poszerzyć znajomość uwarunkowań niezbędnych dla oceny ryzyka działalności oraz celowości i istotnych wymogów stawianych przez banki swoim pożyczkobiorcom. W większości były to wiadomości teoretyczne zapoznające naszych pracowników z rodzajem przyznawanych kredytów i procedurą ich załatwiania, podejściem do klienta itp. Szczególnym zainteresowaniem cieszyło się seminarium dotyczące kredytowania budownictwa mieszkaniowego z uwagi na wprowadzenie tego typu kredytowania w Polsce.

Niewielkie praktyczne wykorzystanie wiadomości nabytych na tych seminariach wynika - co wyraźnie zaznaczono - z różnic w uregulowaniach prawnych w systemie polskim i amerykańskim.

Niektórych spraw nie da się dokładnie przejąć na grunt polski. Odmienności wynikają również z możliwości technicznych, np. skomputeryzowania większości czynności wykonywanych przy analizie kredytowej w Stanach Zjednoczonych, co pozwala na rozszerzenie wiadomości o potencjalnym kliencie a tym samym minimalizuje to ryzyko kredytowe. Do pełnej transformacji do warunków polskich niektórych spraw nie pozwala także nie ustabilizowana sytuacja gospodarcza kraju. Być może po osiągnięciu względnej stabilizacji gospodarczej z wielu omawianych zagadnień uda się praktycznie skorzystać.

Należy jednakże stwierdzić, że pomimo wielu różnic dzielących obie strony /oba systemy finansowe/ pracownicy banków czy to polskich czy amerykańskich napotykają w swej pracy na podobne problemy. Dotyczą one w szczególności spraw związanych z metodami analizy kredytobiorców, zabezpieczenia włożonego kapitału, klasyfikacji kredytobiorców czy sposobów zabezpieczenia spłaty kredytów. Należy sądzić, że pracownicy banków polskich posiadają nie gorszy zasób wiedzy niż ich np. amerykańscy koledzy. Różnice wynikają tylko z możliwości dostępu do np. urządzeń technicznych jak komputery, sprawny system łączności. Wielu uczestników szkoleń stwierdziło, że w miarę zapoznawania się z zasadami i metodami np. kredytowania rozpatruje się sprawy w podobny sposób przy zachowaniu podobnej metodologii. Bank Zachodni posiada także zestaw odpowiednich wskaźników pozwalających na prawidłową ocenę kredytobiorcy. Wzorem godnym do naśladowania może być dla banków polskich organizacja pracy i sprawna administracja.

Większość uczestników szkoleń stwierdziła, że szczególnie przydatne okazały się seminaria prowadzone przez praktyków tj. przedstawicieli banków. Wykłady prof. L. Lawsons dotyczące teoretycznych problemów bankowych z uwzględnieniem metod sta-

tystycznych były ciekawe aczkolwiek praktycznie nie do wykorzystania w polskich realiach. Szczególnie udane było seminarium prowadzone przez R.S. Mansfielda. Korzystając z okazji pozwalamy sobie dołączyć plan tematów, które interesowałyby Bank Zachodni. W miarę możliwości prosimy o dostosowanie się do naszych potrzeb.

Z poważaniem

DYREKTOR  
DEPARTAMENTU KADR  
*Andrzej Charendarz*



**ATTACHMENT D**

SEMINAR TOPICS PROPOSED BY BANK ZACHODNI SA, WROCLAW

1. International capital exchange
2. Capital market constraints and operations
3. Capital market offers, rules of making decisions
4. Capital market participants and their motivations
5. Types of capital markets
6. Protection against risk
7. Market classifications

1. Marketing strategy
2. Bank products and services and their classification
3. Marketing activities at the operational level:
  - a. planning
  - b. upgrading of services offered
  - c. development
  - d. service packages
  - e. promotion and distribution
  - f. market classifications

1. Staff supervision in banks using an American bank as an example:
  - a. organizational structure of the staff supervision unit
  - b. workers' career planning
  - c. planning and evaluation of staff
  - d. recruitment and staff selection
  - e. tracking process of staff achievements
2. Training, their organization, methods of presentation and lecturer selection

1. Międzynarodowa wymiana kapitałowa.
2. Rynek kapitału /uwarunkowania, funkcjonowanie/.
3. Rodzaje transakcji na rynku kapitałowym.
4. Oferty rynku kapitałowego, zasady decyzji wyboru.
5. Uczestnicy rynku kapitałowego i ich motywacje.
6. Typy rynków kapitałowych.
7. Zabezpieczenie przed ryzykiem /futures, swaps, puts, forwards/, porównania, wzajemne zależności i techniki ich stosowania.

1. Strategia marketingowa.
2. Produkty i usługi bankowe i ich klasyfikacja.
3. Działalność marketingowa oddziału operacyjnego:
  - a/ opracowywanie planów,
  - b/ uatrakcyjnienie oferty usług,
  - c/ rozwijanie i doskonalenie produktów,
  - d/ pakiety usług,
  - e/ promocja i dystrybucja,
  - f/ segmentacja rynków.

1. Zarządzanie kadrami w banku na przykładzie banku amerykańskiego:
  - a/ struktura organizacyjna jednostki zarządzającej kadrami,
  - b/ planowanie karier pracowniczych,
  - c/ planowanie i sposób prowadzenia ocen pracowników,
  - d/ rekrutacja i selekcja pracowników,
  - e/ proces przeglądu działalności pracownika.
2. Szkolenia, ich organizacja, sposób przeprowadzania, dobór wykładowców

**ATTACHMENT E**

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# Publicists' News

DeChant-Hughes & Associates, Inc.  
2930 N. Commonwealth Chicago Illinois 60657  
(312) 935-7116 Fax: (312) 525-0231

February, 1993 No. 29

## DeChant Takes PR Workshop to Poland by Carol DeChant

How I wished that readers who've attended our PR Workshops in past years could have been with me recently to meet your counterparts at the most recent workshop. Many had been in jail or mental hospitals (due to their work bringing about the fall of Communism); they're now inventing their own jobs in a newly free society; and their language doesn't even have words for "Public Relations" or even "Communications." Otherwise, they're just like us!

Sessions which I gave with Scott Olson, a professor from Connecticut State U., will lead to the first college course in communications in Eastern Europe. The workshop was in Wroclaw, a city in Poland which was formerly Breslau, Germany.

Attendees were university faculty, local government officials, and a handful of entrepreneurs. My expenses were covered by a US grant; I donated time.

The Poles were eager, gracious, witty, hopeful, committed to staying awake during our long sessions which were simultaneously translated (Garrett Morris style). One word sometimes took a whole paragraph to translate.

The closest word in Polish to "Communications" is "Transportation," so it became something like "transportation of ideas and images." Yet occasionally, slang connected. They immediately got and loved "couch potato," and "pitching." From Day One, attendees were saying, "I want to pitch this story..." or "What do you think of this pitch...?" Scott predicts that ten years from now a Polish dictionary will contain the word "Pitch," as in "presenting an idea to the media," and I will have put it there!

The Polish are ceremonial and formal, but agreed to use first names. (Jerzy, Andrzej and even Zdzislaw being easier to master than their last names.) To give you an idea of the challenge, in Polish, the town *Lancut* is pronounced *Wine-sooth*.

### The New Free Press

They haven't switched over to our concept of a free press yet. Still, attendees who are government spokespersons have a terror of the media. Antoni, who directs a medical engineering firm now paying off debts to a German partner, had to fire a third of the workers in order to make the business viable. He imagines an outraged media asking how he, a former Solidarity leader, could justify firing workers: "Are you an agent of the Germans?"

### Memorable Moments

•As an icebreaker, I asked each person to state, in one sentence, a message they must communicate in their job. The first said, "The Wroclaw Voivode (Government) Office is the best in Lower Silesia." Then came "The Legnica Voivode Office is the best in Silesia," each copying this vague, boring example. Finally, Janusz, spokesman for the regional Solidarity, rose and hollered, "THERE WILL BE A MEETING AT 7 P.M. AT THE TOWN HALL. WE ARE PLANNING TO STRIKE!" Everyone, seeing that he'd done the assignment specifically and with passion AND everyone being in Solidarity (including college faculty) cheered.

•I said that even when a reporter turns off his tape recorder, he's still working, so it's unwise to talk "off the record." Question: "Doesn't the authorization take care of this

## DeChant Takes Workshop To Poland

(continued from page 1)

danger?" I ask for clarification. New question:

"Doesn't the reporter get the authorization before it runs?" Still confused, I say "I'm not sure what you mean. Who signs these authorizations?"

At this, the entire room bursts out in laughter: at my naivete—as well as at their sudden image of what a free press REALLY means: DeChant lives in a society in which even the President doesn't "pre-authorize" stories!

•Jerzy's press release announcing his new radio station. As a former Underground Radio Solidarity chief during martial law, he dreamt of independent radio in a free Poland. Now the station (whose call letters translate to "dream") is to begin broadcasting.

•After seeing the unbelievable truck lines waiting to cross the borders in and out of Poland, I was delighted to see the brochure one of the attendees wrote to promote his new firm. WANT TO SOLVE THE 24-HOUR WAIT AT THE BORDER? (He's starting an air shipping company.)

•One woman printed business cards as a ruse to get a telephone. It worked: she got the phone. THEN she got a customer. In shock, she performed a needed communications service... and was getting more customers. She told me she's terrified to do PR without "qualifications." I urged her to go for it. After four days of our workshops she'd know 100% more than any of us did when we started!

•After a session on how to deal with loaded questions from journalists, attendees were paired for live, on-camera simulated interviews. One "journalist," right after introducing his "guest," lashed at him with, "Isn't that a RUSSIAN name you have?" The attendees applauded him for thinking of the nastiest question possible in Poland today.

•Five-year-old Krzyzko Zuber, son of an attendee, loved a "Where's Waldo?" book I gave him (chosen because it doesn't require English to enjoy it). He then brought out his "Berenstein Bears," and read it—in English!

It was exhausting and exhilarating. The fellowship was the most rewarding part of the workshop, as is the case here. I wish every US publicist I know could have shared in the exchange. It would have helped me, and them. And, as usual, I learned more than I taught.

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**ATTACHMENT F**

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