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**IMPROVING PERFORMANCE OF THE
TANZANIA RURAL DEVELOPMENT BANK:**

TRAINING OF TRAINERS IN MANAGEMENT

by:

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F O R E W A R D

The project is the prototype development activity in third world countries. Whenever it is desired to achieve new or additional capacity to produce or distribute goods and services, the organization and financing often takes the shape of a project. In addition, if a country is badly in need of foreign exchange, the project, financed by foreign lenders and donors, is seen as an immediate source of such foreign exchange. Besides being a means of building new capacity, the project has additional advantages to political authorities. It is a tool for achieving political and social goals and, also, lends itself for rewarding supporters and creating mutually reinforcing obligations.

From the point of view of self-sustaining development, the record of project management has not been very good. Even before the rise in costs of energy, with relatively few exceptions, the various loans and grants received by the less developed countries had not been used sufficiently well to justify optimism. Since 1973, the situation has deteriorated further. With increased demands for development assistance, effective project management becomes a vital component of every development plan. A number of efforts to improve project management have been undertaken. These are based on premises which, when applied through field experience, become a project management improvement technology. "Technology", in this sense, refers to the totality of means employed to achieve practical results.

The management of increasingly scarce development resources will be one of the greatest challenges of the coming decade. The Development Project Management Center (DPMC), under the support of USAID/DS/RAD, is sponsoring this workshop on "Evolving Technologies for Project Management Improvement" to help review and synthesize some of the experiences in this critical area of concern for both donor agencies and host countries. DPMC was organized in 1976 by the Development Administration Office of the Development Support Bureau of USAID to help developing countries upgrade their project management performances and capabilities.

Some new ideas and approaches for improving project management have evolved and been tested through field application in recent years. This workshop is oriented to systematically examine the experiences of key agencies and

individuals who have been working to improve project management. Our goals are to see if there are any significant lessons that can be useful for future efforts and to examine particular circumstances, contingencies and policies forming suitable environments and providing general frameworks in which various technologies can be applied. Three case studies will be used in the workshop as a point of departure for reflection on the broader experiences of all participants. The case studies represent only part of the information available to the workshop. It is expected that responses to the earlier questionnaire will stimulate participants to bring focused and relevant observations to the workshop.

The focus of this workshop is particularly relevant at this time because accountability and delivery of benefits are increasingly important issues in development assistance from the perspective of donor agencies and host countries. Project management is often seen as a key to improving project performance. Through the reflection and synthesis of experiences of this workshop, we hope that it will be possible to identify common elements and areas of consensus from which it will be possible to make recommendations for future efforts to improve project management for development activities.

This paper is a preliminary version of a specific case study which should give you some valuable information to prepare yourself for participation in this workshop. In this case study, the general perspective, specific issues, and guidelines for discussion are provided by an identifiable project management improvement technology. It is intended to stimulate your reflection on the workshop topic and to provide a springboard for the workshop sessions.

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GLOSSARY

ACDI	Agricultural Cooperation Development International
AID	Agency for International Development
DPMC	Development Project Management Center
DS/RAD	Office of Rural Development and Development Administration, Development Support Bureau, AID
EMS	Executive Management Seminar
OIT	Office of International Training, AID/Washington
PCI	Practical Concepts Incorporated
PMS	Project Management System
TRDB	Tanzania Rural Development Bank
TTM	Training of Trainers in Management
USAID	United States Agency for International Development
USDA	United States Department of Agriculture

CASE STUDY ABSTRACT

IMPROVING PERFORMANCE OF THE TANZANIA RURAL DEVELOPMENT BANK: TRAINING OF TRAINERS IN MANAGEMENT

In the current Five-Year National Plan for Tanzania, expansion of production in agriculture and other rural economic activities is accorded the highest priority as a means to national economic and political self-sufficiency. Within this policy context, the rapid expansion of the scale and effectiveness of the credit operations of the Tanzania Rural Development Bank (TRDB) is assigned a key role. TRDB's expanded role in rural development in turn is seen as being directly dependent on an extensive organizational development effort within the Bank. The introduction of a management improvement effort through the Training of Trainers in Management (TTM) program by Practical Concepts Incorporated (PCI) is seen as a means to expand the TRDB's capacity to receive and effectively administer large amounts of loan capital in support of rural development. Accordingly, two six-week Training of Trainers seminars were offered to senior-level and mid-level managers respectively from February thru May, 1980 in Arusha. An Executive Management Seminar (EMS) was offered to executive-level management, including the Chairman of the Bank, during the one-week interval between the two seminars. In total, approximately 70 employees of the Bank (of a total professional staff of 180) participated.

The intermediate objective intended to result from the seminars was agreed by the management training team and the executive officers of the Bank to be:

An increased cadre of indigenous managers/trainers applying appropriate management concepts and techniques to development-related activities.

One aim of the training was to prepare a curriculum for a set of one-week training seminars to be offered over the following year to the remaining TRDB staff. Thus, the groundwork was laid for institutional improvement with respect to both internal operations and the management of credit-financed external projects. Not only would the whole staff be "talking the same language," but the effort had executive-level support and commitment. By the account of both trainers and trainees, the TTM program was effective in attaining short-term results and seems to have helped motivate the Bank staff toward more effective management of its rural credit activities.

The technology employed during the TTM and EMS seminars has two interrelated components: substantive management curriculum and a methodology for the design and conduct of seminars. The substantive management curriculum for the TTM program is referred to as the Project Management System (PMS). The PMS includes an integrated set of management-related principles, concepts and techniques useful in designing, implementing and evaluating programs and projects. The content gives high priority both to conceptual/analytical approaches and human/interpersonal issues within the context of

results-oriented processes. The methodology used in designing and conducting management improvement interventions is characterized by a broad and collaborative reconnaissance of the client organization/environment, by successive iteration of shared objectives and intervention approaches, by a learning-by-doing training mode, and by a commitment to the premise that the most important training results are demonstrated back-home performance improvements.

Implications of this case may be recorded for reflection now and critically assessed when more results are in. They include:

- The PCI management technology, which emphasizes the integration of substantive management content and training intervention methodology, is inherently an effective general purpose approach for application in most management improvement settings, and is a particularly critical element in the conduct of large organizational capacity-building programs.
- The approach of trying to saturation-upgrade the top and middle management strata of a medium-sized organization is feasible. However, the training curriculum must be salable to the participants, based on its immediate relevance to everyday work requirements.
- To optimize the impact and probability for long-term success, training interventions should institutionalize a continuing presence of the trainer/experts through the critical follow-on stages.
- It is useful to ponder the possibilities of replicating the results on one organization's improvement program throughout an expanded system of development oriented organizations in a country.
- The technology used in this case emphasized team-building and the importance of cohesive project teams working within public sector organizations to improve performance. We are encouraged that "matrix management," the theory behind the organization of project action-teams, when coupled with the PMS technology, represents one of the most promising lines of future growth of management science.

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INTRODUCTION.

SECTION I

A. THE DEVELOPMENT PROBLEM

A principal problem the Tanzanian government faces in the 1980s is the critically low contribution of agriculture and village-based small industry to the overall national economic development effort. This situation has tended to perpetuate little or no real growth in the national economy for more than a decade, as well as unacceptably low living standards for the majority of Tanzanians who live in rural areas.

The Tanzanian effort to solve the problem has concentrated on an extensive program of rural and village production by establishing thousands of efficient and self-supporting cooperatives, each based on a single officially chartered village. This "villagization" scheme attempts to funnel the complete range of required resources -- economic, political, cultural, etc. -- into these cooperatives in order to foster their productivity, growth and prosperity. The chief conduit designated to provide economic resources, including agricultural inputs, new infrastructure and small industry capital goods, is the Tanzania Rural Development Bank (TRDB), through its credit and associated support functions. Accordingly, another first order problem directly linked with the villagization scheme is the current institutional incapacity of the TRDB to provide credit and support functions of the magnitude, efficiency and profitability essential to the success of national rural development. This case study describes a four-month management improvement effort in 1980 aimed at upgrading the TRDB's capacity to fulfill its important development mission. The improvement effort postulates that inadequate management skills and abilities are a main source of current TRDB institutional weakness.

The designation of TRDB for a pivotal development role -- a decision itself more or less inevitable in the absence of any potential alternative agency -- committed the Government to a major institutional improvement effort.

The more immediate factors which prompted an emphasis on a management improvement effort within the Bank were:

- An emphasis by political leaders on "implementing" the policies expressed in the Third Five Year Plan. At a meeting held during August 1979 for Area Commissioners and District Development Directors, four specific areas of weakness were identified with respect to implementation of the rural development projects. They were:
 - Non-availability of necessary raw materials;
 - Inadequate project preparation and study;
 - Lack of supervision; and
 - Ineffective mobilization of those to be involved in the projects.
- A tremendous increase in the number and amount of loans and other services rendered by the Bank -- almost double previous years.
- A comprehensive program for decentralization of Bank activities. This effort to cope with increased demand and to provide service to rural areas more effectively. Specifically:
 - A new major division was organized to supervise and coordinate Regional and District offices and activities. Zonal manager positions were formed to assist in this task; new and existing policies, procedures and programs began to be incorporated in a new Policy and Procedures Manual; and
 - A computerized accounting procedure began to be developed to improve information and communication with respect to credit disbursement and repayment and with respect to crop input availability and distribution.

B. BACKGROUND OF THE PROJECT MANAGEMENT IMPROVEMENT EFFORT

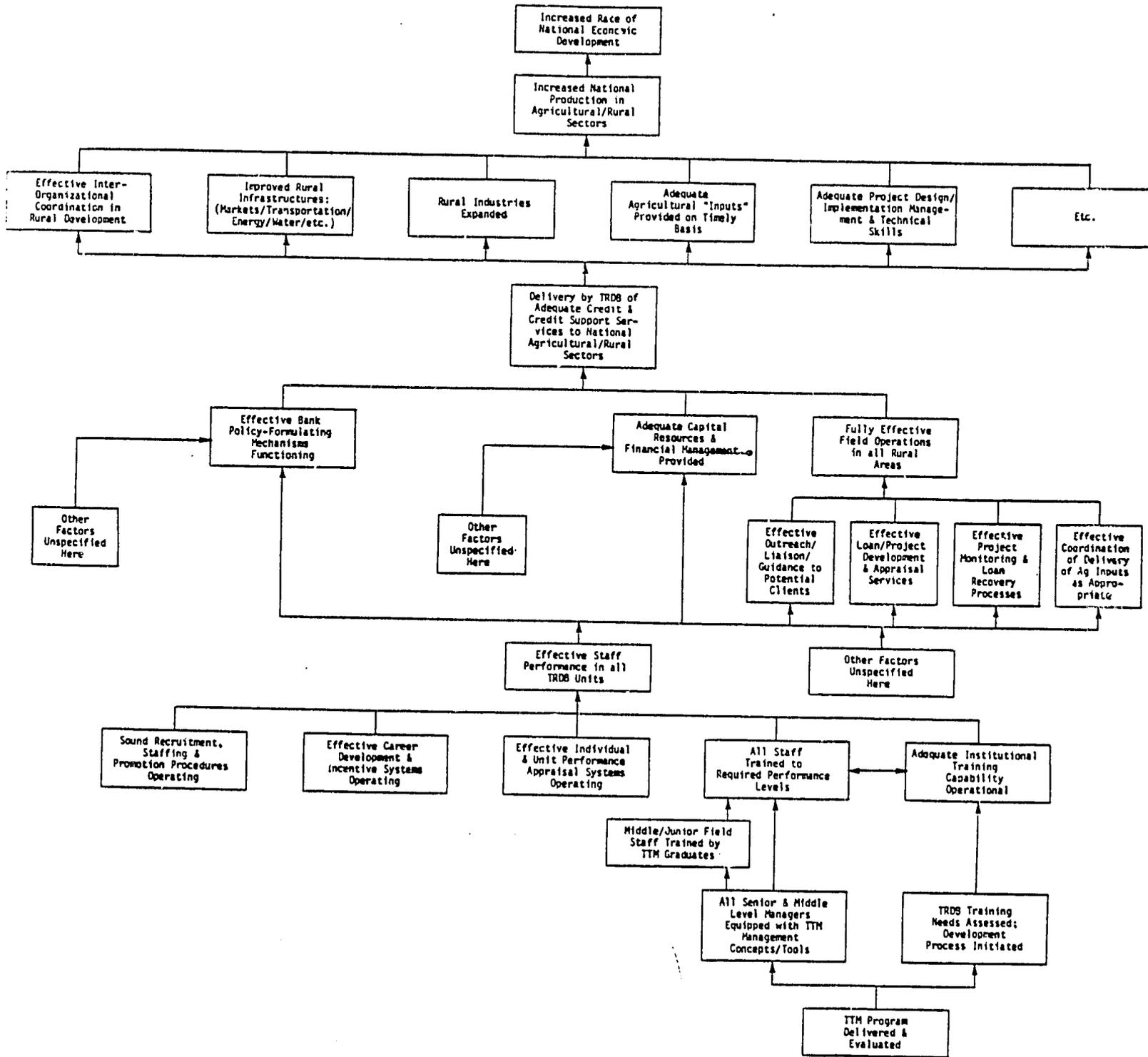
The nature of the management improvement intervention discussed in this case, as it eventually materialized, differed significantly from the original project concept, at least from the perspective of the contracting party, Practical Concepts Incorporated (PCI). PCI initially viewed its involvement as one sequence in a continuing series of "Training of Trainers in Management"

(TTM) seminars supported by USAID, and offered in more than a dozen countries in the last four years. Typically, participants in these seminars were drawn from several countries or from several organizations in a single country. From the beginning in Tanzania, PCI set out to replicate a prior TTM sequence with agricultural credit institutions in Bangladesh, where executives, mid-level managers, and trainers were participants. The TRDB initiated the request for TTM assistance as a result of having one of its senior members in attendance at a previous African regional TTM seminar held in Malawi. During the initial planning stages within the TRDB, the TTM seminars were viewed as an adjunct to other initiatives involving major structural changes and expansion and upgrading of key operations for which TRDB was receiving long-term technical assistance from Agricultural Cooperation Development International (ACDI). Initially, the seminars were planned to be shared by the TRDB and cooperating or complementary parastatal organizations in the agricultural sector. Envisioned were two sequential six-week TTM seminars for mid-level cadre -- each with 40 participants, 20 coming from the TRDB -- combined with a one-week Executive Management Seminar (EMS). At that time, TRDB staff and the ACDI advisors viewed the expected management benefits from the seminars as modest, at best.

However, before the start-up of the first Tanzania TTM seminar several changes occurred. Due to some funding difficulties, it became clear that the TRDB was to be the sole sponsor and participating organization. Given this new circumstance, it was understood by all concerned that the conditions were favorable for exploiting the seminar series as the prime vehicle for initiating and concerting the TRDB institutional rebuilding campaign. The TRDB decided to maintain the same back-to-back seminar format precisely to allow for trainees from the first seminar to serve, along with PCI staff, as trainers in the second TTM. Far from being an exercise in transferring useful management tools to a smattering of people from many organizations, the seminar series came to be viewed as an intensive intervention to saturate the management cadre with a package of common concepts and skills to be used immediately in the TRDB's reformation. Thus, a distinguishing feature of this intervention is that the investment of a modest amount of resources, accompanied by substantial risks, offered the possibility of achieving high benefits in terms of supporting national welfare objectives.

Instrumental in the reorientation of the TTM program were the ACIDI chief-of-party and the TRDB director of development and training, working jointly with the PCI project team up to the eve of the first six-week seminar. Because it was recognized that virtually the entire senior and middle management of TRDB would be exposed, and that it was possible to customize the TTM content exclusively for this organization, major changes were made to bring the management intervention "technology" (as described below in Section III) in line with the new situation. An objective tree for the TTM improvement effort discussed in this case study is presented in Exhibit I-1.

EXHIBIT I-1:
OBJECTIVE TREE: THE TANZANIA RURAL DEVELOPMENT BANK'S
MANAGEMENT IMPROVEMENT EFFORT



INTERMEDIATE MANAGEMENT IMPROVEMENT RESULTS

SECTION II

A. INTENDED INTERMEDIATE RESULTS

During a pré-TTM site visit to Tanzania in September 1979, an ad hoc list of needs involving management and organization performance was elicited from the Managing Director and senior staff of TRDB. Prominent items included:

- Well-prepared design and documentation of borrower projects;
- Provision for impact evaluation at the design stage of borrower project;
- Use of monitoring information for decisionmaking during implementation of borrower projects;
- Better supervision of borrower projects by TRDB field representatives;
- Better flow of ideas, cooperation and communication between TRDB and other institutions involved with the same projects or borrowers;
- Fostering of greater commitment, accountability, sense of value of time and other positive work-related attitudes on the part of TRDB staff at all levels;
- Strengthening of practical implementation skills to help borrower projects succeed;
- Evaluation of TRDB staff work performance in such a way as to optimize performance improvement and minimize friction with individuals;
- Technical support and implementation divisions of TRDB should be helped to better understand one another's roles and responsibilities;
- The value of team work, appreciation of interdependency of roles to achieve tasks, and the importance of each person's role in TRDB's overall performance must be understood better;
- Loan appraisal techniques must be upgraded for validity and timeliness;

- Team effort involving the headquarter staff, area supervisors and the regional managers and their respective staffs must become standard operating procedure; and
- At all levels of TRDB there exists the need for clarification of objectives, delegation of responsibilities, accountability, leadership, and a system for communicating information.

After review of these and other requirements, the initial formulation of the intermediate objectives for the TTM intervention was agreed to be:

An increased cadre of indigenous managers/trainers applying appropriate management concepts and techniques to development-related activities.

The targets indicating successful achievement of this objective show that the focus of the effort was then placed on the appropriate use -- in management and in future training -- of the concepts learned during the seminar, rather than on coordinated organizational application. These targets were:

- TTM alumni (trainers and managers) make an average of two applications per year of one or more TTM components in their job situation; and
- Superiors, colleagues, subordinates and trainees respond positively to actions taken by TTM alumni as they apply TTM concepts in training and on the job.

The final version of these intermediate objectives, reflecting the actual situation at the start of training, also specified that the use of TTM concepts would be systematically integrated into TRDB operations in the following areas:

- The internal decentralization effort;
- The launching of the Phase II agriculture credit program;
- Better designed borrower projects; and
- Improved implementation of borrower projects.

B. EVIDENCE OF ACCOMPLISHMENTS

Evidence to date of the achievement of these objectives comes from Mr. Magani, the Bank's Managing Director, and from responses to six-month follow-up evaluation questionnaires by TTM graduates.

On a recent visit to Washington, Mr. Magani informed PCI that the TRDB was conducting additional seminars based on the TTM model. One graduate reported having trained 50 trainees -- project officers, credit supervisors, and a few regional managers. A second graduate informed us that he had conducted two seminars for a total of 68 trainees -- mostly village chairmen, secretaries, extension agents, and managers.

In response to a question asking for evidence of the seminar's usefulness, this same graduate responded:

"After clearly defining the duties and responsibilities of each staff, and defining the incentives that go with performance for good results we managed to collect over 2,000,000 Tanzanian shillings (\$250,000 approximately) in loan repayments. This we have never achieved (before)."

Another respondee reported: ". . . I have just finished lecturing Project Management Systems (PMS) . . . to fellow project officers who are currently attending a month-long course in Dar. I found it very enjoyable and very comfortable too, in putting across concepts I learned in the six-week seminar."

Of course the ultimate success of the intervention depends both on the continued use of concepts and on what occurs subsequent to delivery of the internal training seminars. On these matters, the recency of the initial project phases makes interim evaluation difficult. Nevertheless, several "leading indicators" bear on these issues, and appear to support the view that post-seminar use of the new skills conforms at least roughly to the project plan. Specifically, TRDB course alumni and top management report that:

- Many TTM graduates are training their own people to use the same tools;
- The formal follow-on field training process has begun, although on a limited basis;
- Several of the specific TTM "problem team" project designs are being returned to form the basis for major organizational improvement efforts within the full institutional development scheme;
- Most seminar graduates retain high evaluations of the course contents/results and remain enthusiastic about their appropriateness, personally and organizationally; and
- A key assumption, that major infusions of new external resources (World Bank and USAID monies) would be forthcoming, is now an accomplished fact.

For these reasons, cautious optimism on longer-term project success seems legitimate.

C. FACTORS INFLUENCING ACCOMPLISHMENT OF RESULTS

It was felt that two factors would play a major role in the achievement or non-achievement of the intermediate objective. The first of these factors was attainment of the "critical mass," the second was the receptivity of the top- and mid-level management to institutional change along lines consistent with the TTM package of concepts and techniques.

The seminar series was designed to influence indirectly both of these factors. First, two TTMs were to be offered sequentially to more executive level managers and project officers and then to promising mid-level project officers. These two seminars were intended to reach approximately 50 members of the Bank. Further institutionalization of the techniques were to be made possible through a series of five one-week seminars taught by selected TTM graduates to field personnel in the regional offices.

With nearly everyone in the Bank eventually speaking and understanding the same management "language," the possibility of being able to apply concepts and techniques to development-related activities in a standardized institutionalized manner was felt to be greatly enhanced.

Secondly, as part of the seminar series, an Executive Management Seminar (EMS), was to be offered to the top management of TRDB and other parastatal bodies with important coordinating and complementary rural development functions. Offering the EMS, it was felt, would lay the necessary groundwork for acceptance and support of the management improvement effort within the broader environment that the TRDB works with on a daily basis.

Factors external to the design of management training which were felt to be critical to the attainment of the intermediate objective were that a) returning participants would be placed in positions appropriate for introducing management improvement; b) the work environment would encourage use, adaptation and modification of management technology including local adaptations where necessary; and c) that sufficient preplanning, involving other government bodies, would occur to maintain a favorable and supportive attitude towards institutional change within the Bank.

Although the seminar was not designed to influence these factors directly, the focus of some of the "back-home" project workshops during the seminars was on developing strategies for dealing with these external factors. For example, one workshop developed the curriculum for the follow-up one-week field training seminars by carefully taking into consideration the environment faced by the field staff, their level of training, and their specific management needs. Another workshop developed a plan to institutionalize the management technology within the Bank taking into account factors both within and external to the Bank which might influence the effort. Still another developed a design to improve supervision and training of credit recipients. These design exercises thus allowed the identification, and provided for the monitoring (or for the direct management) of external factors in order to improve the likelihood of achieving the intermediate results of the TTM effort.

MANAGEMENT IMPROVEMENT TECHNOLOGY

SECTION III

A. OVERVIEW OF THE TECHNOLOGY

In this case study, we have been asked to view the TTM intervention in Tanzania as a "management improvement technology." By technology we mean the totality of means employed to achieve practical results. Thus, our focus is on the strategies and techniques used in Tanzania to design and conduct the TTM and EMS management improvement seminars.

The technology employed by PCI has two interrelated components: substantive management curriculum and a methodology for the design and conduct of seminars. The substantive management curriculum represents an evolving system of practical management concepts and methods currently available in five languages. The content gives high priority both to conceptual/analytical approaches and human/interpersonal issues within the context of results oriented management processes. The methodology that PCI uses in designing and conducting management improvement interventions is characterized by a broad and collaborative reconnaissance of the client organization/environment, by successive iteration of shared objectives and intervention approaches, by a learning-by-doing training mode, and by a commitment to the position that the most important results are those which take place in back-home performance improvements.

B. TECHNOLOGY FORMULATION AND DESIGN

PCI's technology has been developed and refined over the last 10 years. However, intellectual antecedents of this technology, which include systems theory, management by objectives, scientific method, and andragogy, have their grounding in several decades of management practice. For PCI, the origin of the technology involved a consultancy with AID in 1969. PCI staff were

commissioned to assess AID's project evaluation system and recommend improvements in both the system and the way it was used. Since then PCI's management improvement technology has been tested and implemented in numerous countries. It has been applied to programs as diverse as satellite education, integrated rural development, agriculture and livestock, water resource management, and industrial development. The concepts have been effectively used by the private and public sector managers at national, regional and local levels.

In the Spring of 1978, PCI offered a six-week TTM seminar in Malawi. The seminar was regional, drawing participants from several African countries. Among the participants was Attilio Mohele, Director of the Department of Development and Training at the TRDB. Mr. Mohele was impressed by the concepts presented during the seminar and convinced of their relevance to TRDB's management needs. In fact, he expressed to one of the PCI trainers, "I wish that I had brought my Bank's curriculum with me because I can see changes that I'd like to make to incorporate some of the new concepts that I'm learning." It was through Mr. Mohele's presentation of the usefulness of the concepts to key executives in the Bank, his use of the tools which brought wider acceptance of the concepts within the bank, and his initiative in making a request to AID for training that the process was set in motion which brought PCI to Tanzania.

Initially the Tanzania program was to be regional, supported by a broad range of Tanzanian institutions including the Ministry of Agriculture and several parastatal organizations involved in agriculture, as well as the TRDB. However, when a concrete proposal was presented for funding, the Ministry of Agriculture decided that it was not interested. This left the TRDB, the most interested sponsoring organization, short of hard currency to fund the program. The shortfall of \$25,000 was made up by ACDI which had been working closely with TRDB in a long-term technical assistance effort. The rest of the funding was provided by the USAID

mission in Tanzania, by the International Training Office* of AID/Washington, and by the TRDB.

This change of focus created a unique opportunity for institutional improvement. The important characteristics of that opportunity were:

- The participation of a critical mass of TRDB staff trained with a focus on institutional change. Of approximately 180 professional staff, about 54 were to receive training in initial PCI-taught seminars. The remainder of the professional staff was to receive training in five one-week TRDB staff-taught trainings in the regions.
- A vertically integrated approach. The TRDB chairman and each of the field staff would be exposed to the same concepts. Acceptance by the executive level of the bank of new management procedures was considered essential groundwork for institutional change to take place.
- Institutionalization of Training Capability. The seminar is called Training of Trainers in Management and was intended to impart training capacity as well as management concepts to the participants in order to allow the concepts to be passed throughout the bank in field training and intermittent staff seminars.
- Application immediately to follow training. The second part of the seminar was to include application of the management concepts to TRDB problems during intensive participant-led workshops.

One way to conceive of the full "technology" applied in this case is as a fairly standardized package of management concepts/tools and training intervention methodology, which was subjected to extensive tailoring for the special needs of the client organization. It is necessary to supply more information on the actual local customizing process, the aspect of the case that truly sets it apart from the routine use of the stock items.

The immediate product of the preliminary tailoring process was choice of an approach that combined transfer of skills with simultaneous use of the skills in real world TRDB matters, a procedure intended to bridge the gap

* OIT managed the TTM project before responsibility was transferred to the Office of Rural Development and Development Administration in the summer of 1980.

between the participants' learning and institutional development. The first step in the customization process was made when it was agreed that three afternoons a week would be spent in the use of PMS tools to attack "key TRDB problems." In practice, during the seminar, this process took the following form. First, participants were instructed in problem diagnostic and problem remedy uses of the TTM package. The second step was to conduct a plenary exercise in TRDB problem diagnosis (lasting two days), which led to the third step of forming four "problem teams" (8-10 members), each of which was assigned a cluster of problems for which they were to formulate solutions. From this point onward, the dynamic of the seminars was such that the participants took ownership of the training process and the application of the management tools to solving organizational problems.

PCI's substantive management curriculum for the TTM program is referred to as the Project Management System (PMS). The PMS includes a set of management-related principles, concepts and techniques useful in designing, implementing and evaluating programs and projects.

The key PMS concepts and tools that guide and support management activities in each project phase are diagrammed in Exhibit III-1.

In any sketch of the PMS curriculum, it is easy to under-emphasize the people-oriented aspect of the package in favor of the analytical tools. Nevertheless, the approach as a whole pivots on the concepts of the project team, which executes each feature of the scheme on a collective basis. For this reason, team-building -- and the sophisticated use of current human factors techniques needed to do this effectively -- is accorded a co-equal role with analytical tools both in training and post-training settings. In fact, the instructional process itself is intended to model the major concepts of effective small group team-building and teamwork -- including group goal setting, democratic participation, situational leadership, task assignments based on special competencies, explicit conflict resolution, constructive group critique and feedback, etc. -- so that seminar groups emerge as prototypes for "back-home" project team structure and process.

C. TRAINING IN PROJECT MANAGEMENT TO MEMBERS OF THE TANZANIA RURAL DEVELOPMENT BANK: COMPONENTS, SEQUENCING AND CONTINGENCIES

1. Components of the Training and Contingencies

The immediate results expected to be achieved by the completion of each of the six-week TTM seminars and the targets or indicators of successful achievement of those objectives include:

- An action plan for effective use and dissemination of TTM concepts, tools and techniques.
- List of issues and/or problems facing TRDB plus an action plan for addressing each.
- Statement of how TTM concepts, tools and techniques can be adapted (if necessary) to best meet TRDB needs.
- Training design completed for the one-week field training. (Practice teaching will focus on the curriculum selected for this field training. Mohele will have primary responsibility for the training design, with inputs from PCI staff, area supervisors and regional managers. A workshop should be organized to develop a design for the field training.)
- A project design completed for TRDB management improvement.

These immediate objectives, by the accounts of the trainers and the participants, were successfully achieved. Understanding of the concepts was corroborated by class performance on a series of post seminar assessments. By the end of the seminar each participant had presented to the class an example, using PMS tools, of a project he intended to undertake once he returned to his job. The visual performance as well as substantive quality of these presentations was very high and in some instances were excellent. The most outstanding were presented on graduation day to Mr. Magani.

Special workshop outputs achieved on completion of the first TTM seminar were as follows:

- Plans to improve institutional finance and financial management;
- Designs to address overall staff performance improvement;
- Plans to review and revise bank policy and strategy planning; and
- Designs to address field operations improvement with special reference to poor loan recovery performance (about 45% of loans due in 1979).

The outputs of the special workshops during the second TTM seminar were:

- The curriculum for a one- or two-week seminar to be taught to field staff;
- A project design to address the need to improve project supervision;
- The design of an improved incentive system; and
- A plan to institutionalize appropriate project management system tools at bank headquarters in Dar-Es-Salaam.

These products were created with great enthusiasm and energy, and required many hours of after-seminar work. On graduation day, for both seminars, Mr. Magani, Managing Director of the Bank, received and commented thoughtfully on the plans presented to him. His attention did much to enhance the perception on the part of the participants that the possibility for change was present, and that they, as Bank members, could play an active and significant part in the improvement process.

An additional immediate objective was to introduce two graduates of the first seminar as co-trainers in the second seminar. It was felt that an opportunity for two outstanding participants to receive intensive instruction in training techniques would help institutionalize the training process.

Although achievement of the other objectives proceeded as planned, introduction of the co-trainers from the first seminar into the second ignited jealousies and bad feelings. Specifically, participants of TTM II felt that participants of TTM I had been treated better in terms of per diem, living quarters and seminar headquarters. Homesickness combined with

difficult access to entertainment and uncomfortable living quarters combined to stir many deep seated resentments with respect to the selfishness of upper management. In fact, the participants in TTM I had received better amenities; they were, however, on the whole more senior than participants of TTM II. Also, because of the cost overruns of TTM I, the second TTM suffered from reduced budget availability.

To introduce "novice" Tanzanian trainers seemed like the ultimate slight, and a near revolt occurred when word came of their arrival. Many participants had agreed among themselves that they would leave the training and return home if the two were allowed to teach. Word from Bank headquarters reached the participants that anyone who left the training would be severely dealt with.

So as to not to appear overly dictatorial or insensitive, it was agreed that the TRDB trainers would lead workshops only. Although the team did not explicitly declare this modification of plans, it proved to be a compromise with which everyone seemed to be happy. The seminar ended with profuse apologies on the part of most of the participants for their behavior during this episode.

2. Sequencing of Technology Application

PCI's approach to training management concepts is founded on the idea that "training" differs from "teaching." Verification of a successful training is made by the participants ability to do or demonstrate what he has learned rather than merely restating, reciting or performing well on a written test.

PCI's approach to training is based on the concept of andragogy, the teaching of adults (as opposed to pedagogy, the teaching of children). Training of adults differs from the training of children in that the experience base which most adults bring to the seminar is used extensively as an integral part of the curriculum. The trainee is not a passive learner but actively participates

in his learning experience, shares his experience with other adults, and challenges new concepts based on his own understanding and background.

PCI has built this approach into its sequencing of training activities. Following each plenary session, a workshop is scheduled to allow the participants to use the concepts he has just learned and to interact with and share thoughts on those concepts and their application with peers. Exercises specially designed by PCI were used during these workshop sessions to develop the participants' ability to work with new concepts. The following order was followed in presenting Project Management System Concepts:

- Concepts Presentation and Case Applications (3 weeks)
 - Project Design:
 - Logical Framework techniques and concepts (1 week)
 - Project Feasibility (1 week)
 - Implementation:
 - Performance Networks (1/2 week)
 - Bar/Responsibility Charts (1/2 week)
 - Resource Allocation (1/2 week)
 - Evaluation (1 week):
 - Evaluation Planning
- The Institutionalizing of PMS Concepts and the Training of PMS Concepts (3 weeks)
 - Personal management improvement designs
 - Brainstorming and discussion of key TRDB problems
 - Back Home Projects (Special TTM workshops, discussed earlier)
 - Presentation of Back Home Projects to the Managing Director

Reading discussions, management films and teamwork exercises, as well as workshops are interjected throughout the training to provoke thought and encourage communication.

D. FINDINGS AND LESSONS

On the whole, the training seemed to be extremely successful with respect to achievement of the immediate learning results.

An important recurring issue throughout the training was what the trainers called the "we/they syndrome." Several participants were quite vocal in their attitude that the problems of the Bank were the fault of upper and top level management. They did not perceive that they are as much a part of the Bank as is top management and that they could play an important role in changing the status quo. This attitude was troublesome in that it seemed to carry over into participant attitudes toward the team-building exercises. Some articulated a mistrust in the value of teamwork, and the value of building on the strengths of one another. They articulated an appreciation of the individual, even at the expense of the team, as the only way to survive in a work environment.

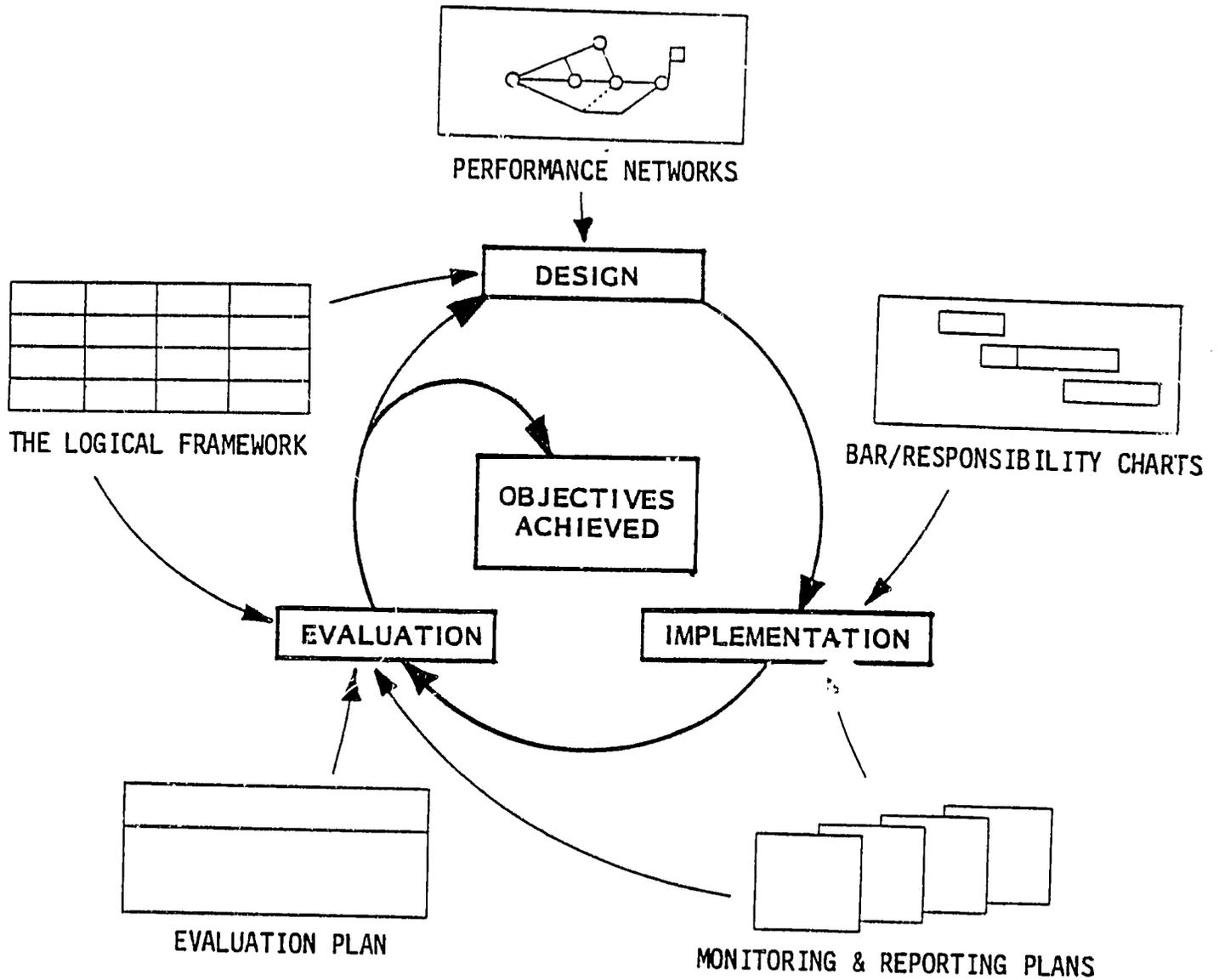
Although the trainers never felt that this attitude was changed, at least as far as it was articulated, the participants' performance revealed a different set of facts--the work groups worked in an impressively cooperative fashion; great energy was exerted by all except one of the special workshop groups as they developed plans to use various tools and institutionalize others upon return to the Bank. This spirit indicated that they felt they could make a valuable contribution to improving Bank operations.

The flare-up over Tanzanian trainers during the middle of the second seminar was also indicative of the "we/they syndrome." It seems that for future seminars held in such an environment, an increased level of

intermingling of upper-level and mid-level managers during the training might contribute to improved inter-institutional communication, trust and effectiveness.

The sequencing of the seminar format -- in terms of alternating between plenaries and workshops -- is a proven method to engage participants, to enhance the learning process, and to build a team spirit within a working environment. The value of this sequencing was passed on to the participants who will be doing training in the future. This set of TTM seminars carried sequencing one step further. The first three weeks of the seminar could be considered as traditional training. By the third week through the sixth week, the participants were the principle actors in the seminar as they developed their "back-home" projects. This proved to be an effective way to consolidate learning of new concepts which had taken place during the first three weeks of the seminar.

EXHIBIT III-1: THE PROJECT CYCLE & KEY PROJECT MANAGEMENT SYSTEM (PMS) TOOLS



LONG-TERM DEVELOPMENT RESULTS

SECTION IV

A. DESIRED LONG-TERM GOALS

The intended long-term goals of the intervention mesh with basic national priorities, and reflect powerful consensus among Tanzanian and USAID actors. In the current five-year plan, national expansion of production in agriculture and other rural economic activities is accorded the highest priority as a means to national economic and political self-sufficiency. Within this policy context, the continuing rapid expansion of the scale and effectiveness of TRDB credit operations is assigned a key role. TRDB's expanded role in the rural development effort in turn is seen as directly linked with a redoubled effort towards TRDB organizational development, since the present "absorptive capacity" of TRDB to receive and effectively administer large amounts of additional loan capital is recognized to be sharply limited.

In light of the above, the long-range objectives of the TTM project involve making important contributions to the broadly gauged institution-building process which will take place at TRDB during the 1980s. As indicated earlier, the intended intermediate objectives focused on accomplishing a dramatic upgrading of key management skills at all organizational levels, and the direct application of these management skills in day-to-day duties and to many non-routine tasks. The long-term objectives represent an array of benefits expected to result from improved management performance. With reference to major TRDB organizational units, these benefits may be summarized as:

- Achievement of adequate and fully effective field operations in all rural areas of the country (as measured by reduced default rates and valid transactions with borrowers);
- Procurement of adequate finance, and provision of effective financial management to support all mandated programs; and

- Strengthening of procedures and bodies which generate policy; attainment of closer and more effective coordination with other domestic and international development institutions.

The full range of long-term objectives is depicted on the Objective Tree in Exhibit 1-1.

B. CAUSE & EFFECT LINKAGES BETWEEN INTERMEDIATE RESULTS & GOALS

A number of important causal factors intervene between the intermediate TTM results and achievement of longer term goals. If TTM graduates apply new concepts and skills upon return to their regular duties, the longer term benefits will not necessarily accrue unless the following intervening factors are present as well:

- Graduates need to be retained in or given assignments that permit them to apply their skills in ways that promote institutional development objectives;
- The performance motivation of graduates from initial and continuing seminars needs to be sustained by effective incentive systems and valid performance evaluations;
- The specific project designs for improving TRDB operations, developed during the TTM seminars, need to be used as the basis for significant organizational improvement undertakings, and as a basis for sustaining the present high morale and "momentum" generated by the intervention thus far;
- The major "reorganization" schemes currently projected for TRDB needs to be executed soundly and thoroughly, with provision for full participation by TTM graduates using their new skills and concepts; and
- Expected national government and international donor grants and loans to TRDB need to be provided in approximately the amounts and timing forecasted (so that operations, expansion and reorganization have the resources to go forward as planned).

Needless to say, in addition to the above directly relevant conditions, the usual array of factors representing national political and economic stability and viability must be recognized as necessary contextual conditions for full attainment of the TRDB performance improvement results. Considering the nature and ambitiousness of the goals aspired to, and the major benefits to the nation that may result, it is at least arguable that the risks are acceptable, and certainly not unusual in undertakings of this kind.

C. CONDITIONS FACILITATING & CONSTRAINING GOAL ACCOMPLISHMENTS

Several important conditions may be highlighted as bearing either positively or negatively on the causal relationships described above. Among the most significant of those working in favor of the intended results are:

- The unusually high visibility of the intervention inside and outside the target organization, with attendant "command emphasis" from top management;
- The fact that the intervention builds on the recent efforts of The World Bank, USAID, and ACDI to upgrade the TRDB, many of which have been concentrated in development of a Management Information System, financial management, diagnosis of staff skill deficiencies, and attraction of substantial new external resources to TRDB for expanded operations and organization improvement;
- The relatively high quality and strong backgrounds of the middle and top management cadre before this intervention, which made it possible to transfer the necessary skills efficiently, and to demonstrate their relevance to TRDB's situation in a short period; and
- Perhaps most critically, the continuity of national leadership based on the presence of an internationally respected and "charismatic" chief; and the benefits of clear and durable policy guidelines which undergird TRDB's mission and its place in the national effort.

On the other hand, a number of conditions have been present in the project environment which are likely to impact adversely in successful achievement of long-term goals. Citing only the most important, these include:

- A history of inadequate performance by TRDB in many key areas (and a context of general development failure in the country);
- Persistent tendencies toward internal divisions within TRDB, particularly field vs. headquarter distrust and conflicts;
- A climate of TRDB staff skepticism at the middle and lower levels about the efficacy of bold new departures (which, as in every bureaucracy, are announced at too frequent intervals); and
- Despite infusions of new resources, the certainty of continuing deficiencies in vital areas, such as middle level salaries, field transport capabilities, coordination and cooperation with other major organizations in rural areas.

V-1

CONCLUSIONS AND IMPLICATIONS

SECTION V

A. CONCLUSIONS

The TTM intervention is quite recent (February--June 1980), and more time is needed to observe the attainment of intermediate and long-term objectives. Thus, all conclusions are tentative. Based on our current observations and client feedback, several provisional judgements can be made.

On the plus side, it is fair to say that the first important link in the chain -- that of successful conduct of the series of seminars and the transfer of the package of "key management skills and concepts" to most of the immediate target group -- took place as planned. TRDB leadership was provided, on a saturation basis, with the PMS package in enough intensity and depth to supply at least the preconditions for commencement of full scale organizational overhaul based on this approach. For these reasons, the conclusion is warranted that the TTM management improvement technology was appropriate.

In the same way, we can conclude somewhat more tentatively that the TTM technology itself was validated for the short-run, in the sense that it was immediately and enthusiastically adopted by TRDB managers as self-evidently relevant to their needs, and served as the catalyzing force for the formulation of coherent and major organization improvement schemes, and for generating enthusiasm within the organization over future prospects for growth and change. The "why" for both types of success is stated with reference to more than a decade of use and refinement of the PCI management technology -- including substantive management curriculum and training intervention methodology -- in many dozens of settings with comparable characteristics.

On the indeterminate or negative side, the primary liabilities for successful attainment of long-term objectives of the program appear to reside in the intricate, delicate, and extended nature of the linkages between project activities and ultimate benefits. But since the stakes were initially recognized as high and the risks acceptable, such liabilities lie less in the nature of the technology than in the "risk philosophy" of the preliminary feasibility studies, and the assessments of an appropriate trade-off of cost, risk and benefit factors. It is simply too soon to second guess these judgements definitively, although it can be said that most assumptions and components, which would support successful attainment of project objectives, continue intact at the time of writing (December, 1980).

B. IMPLICATIONS

Implications of this case can only be assayed with the greatest caution at this point. Nevertheless, a number of specific items may be recorded for reflection now and fully critically assessed when more results are in. These implications are grounded in the TRDB experience, but are consistent with our general observations about the TTM management improvement technology. They include:

- The PCI management technology, which emphasizes the integration of substantive management content and training intervention methodology, is inherently an effective general purpose approach for application in most management improvement settings, and is a particularly critical element in the conduct of large organizational capacity-building programs.
- The approach of trying to saturation-upgrade the entire top and middle management strata of a medium-sized organization in an integrated system of management concepts and skills is neither as costly nor as difficult as it may appear at the outset. However, the training curriculum must be salable to the participants, based on its immediate relevance to everyday work requirements (that is, it must be practical in their eyes), and the approach must enjoy the absolute commitment of the chief executive if the participants are to be able to use their skills in their work.

- To optimize the impact and probability for long-term success, interventions of the present type should institutionalize a continuing presence of the trainer/experts through the critical follow-on stages (1-3 years). If the management improvement technology is soundly designed and executed, the host organization will either have its own capacity to carry on at the end of the training sequence or will be able to procure such support from other sources.
- With regard to new extensions and developments based on the lessons of this case, it is useful to ponder the possibilities of replicating the results of one organization's improvement program throughout an expanded system of development oriented organizations in a country. It seems to be true that with relatively few additional resources, coupled with a concerted design for sharing personnel and trainers, a large-scale replication effort might be successfully attempted.
- The technology used in this case emphasized team-building and the importance of cohesive project teams working within public sector organizations to get development projects done. PCI, both in Tanzania and elsewhere, has been active in the last several years in contributing to the evolution and marriage of the team-building approach with the equally rapidly developing technologies of "matrix management." We are encouraged in the belief that matrix management, when coupled with the PMS technology and when systematically applied/validated, represents one of the most promising lines of future growth of management science.