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GAS REGULATORY AND RESTRUCTURING ASSISTANCE IN ROMANIA

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TRAINING NEEDS ASSESSMENT AND TRAINING PLAN

Prepared for:
USAID/Bucharest



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Under Sub-Contract to Nexant, Inc., A Bechtel Technology & Consulting Company

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TABLE OF CONTENTS

PART I: Training Needs Assessment	1
Current Status of Natural Gas Sector in Romania	1
Approach.....	1
Major Findings.....	2
General Background	2
Training Issues	3
Resources and Opportunities	4
Special Requests and Pledges of Support	5
PART II: Training Plan.....	5
Training Strategy.....	5
Participant Selection	6
Coordination/Logistical Issues.....	7
Recommended Training Activities for Year 1	7
Suggested Directions for Year 2 Training	10
Appendix A: List of Persons Contacted	
Appendix B: Participatory Management Certification Course Preliminary Agenda	

USAID GAS REGULATORY AND RESTRUCTURING ASSISTANCE IN ROMANIA

PART I: TRAINING NEEDS ASSESSMENT

Under subcontract to Nexant, Inc. (Nexant), A Bechtel Technology & Consulting Company, Development Associates, Inc. is assisting in the provision of training for the USAID Gas Regulatory and Restructuring Assistance project in Romania. The work carried out under this task supports Strategic Objective 1.5: *A more economically sustainable and environmentally sound energy sector.* USAID's objectives are to accelerate energy sector restructuring, build a free market for energy, and promote competition. The project is proceeding under a corresponding Intermediate Result (IR): *Issuance by ANRGN of a Commercial Code during 2001 and Technical Codes during 2001 and 2002, and significant steps taken toward their implementation during 2002.* Training targets are five newly created gas companies and the Romanian Natural Gas Regulatory Authority (ANRGN).

CURRENT STATUS OF NATURAL GAS SECTOR IN ROMANIA

The project began in October 2000 shortly after a series of gas sector reforms were instituted by the Government of Romania. These reforms included the re-organization of ROMGAZ, the state-owned natural gas company, into five separate companies and the establishment of an independent regulatory body. These changes were prerequisites for the implementation of market-based policies and procedures to attract foreign investors and, in particular, to satisfy requirements for European Union (EU) membership. National elections in November brought the return of a former political administration and the partial undoing of the predecessor government's initiatives. The new government placed the formerly independent regulatory authority under control of the Ministry of Industry and Trade (MoIT) and set prices for the gas industry, thereby relieving ANRGN of one of its most important functions. It also named a new ANRGN President, the third head in as many months.

These setbacks will challenge the achievement of project goals. *In order for training to make an impact in this environment,* it will be essential to exploit all available resources and opportunities, to secure widespread support for training as a means of achieving project goals, and to target individuals who can influence change.

APPROACH

Sue Rollins of Development Associates traveled to Romania for the period from February 11 to 21, 2001 to conduct a needs assessment as a basis for the project training plan. The needs assessment focused on identifying current constraints and gaps in knowledge, skills and attitudes which threaten to impede gas sector restructuring and regulatory efforts, as well as available resources and opportunities which can aid in these efforts.

Interviews were conducted with officials from MoIT and ANRGN, the latter a counterpart as well as beneficiary, and senior and mid-level managers of the five newly formed gas companies

— Distrigaz Nord and Sud, Transgaz, Depogaz, and Exprogaz. Interviews were arranged by Florin Tobescu, Senior Technical Advisor for the project, and interpretation was provided by ANRGN/project staff Doina Badea.

Copies of organizational charts and training statistics were provided by ANRGN and the companies.

Project Manager Christopher Turner and Florin Tobescu provided background information and participated in the interviewing. Russell Brown, Chief of Party of the USAID Electric Sector Restructuring Project, discussed the status of that project's training activities and the parallel problems experienced by the industry as a result of recent political changes in Romania.

Discussions were also held with EU Phare representatives concerning USAID collaboration with this companion assistance project, whose goals complement those of the USAID project, for the training and institutional support of ANRGN. Collaboration with the EU Phare project presents timely, cost-effective, and synergistic opportunities to achieve USAID's objectives. Subsequent to Ms. Rollins' trip, contact has been made with EU Phare's designated liaison for the USAID project. Joint training activities have been discussed (see pages 7 and 8), with dialogue continuing.

A final briefing was given to ANRGN President Gheorghe Radu.

A list of persons contacted is attached as Appendix A.

MAJOR FINDINGS

General Background

The following observations regarding the current transition period, while not training issues per se, provide a context for the current environment in which the project is functioning and will thus either impact or form the basis of planned training activities.

- Recent turnover among top management at all the gas companies as well as political maneuvering within MoIT and ANRGN appear to have created a climate of instability. A sense of confusion and uncertainty is pervasive. Many middle managers do not understand the reasons for the changes but seek to understand their roles within the new framework.
- Support among market participants for the re-organization of ROMGAZ into the five respective gas companies appears to be mixed. For example, one manager said that it simplified his activities, as he is now working on a smaller scale, with problems emerging on a corresponding smaller scale. Another manager asserted that the change was too abrupt, having been implemented with no intermediate steps.
- Managers have not internalized the new framework under which they are working. Ironically, a number of interviewees seemed to regard the transition from branch to company as almost no transition at all — just business as usual. One manager asserted that his new company is a company in name only, with activities and operations

remaining virtually unchanged. As Eng. Corneliu Condrea of MoIT's Oil and Gas Division observed, the skeleton is in place, but a market economy culture must be created in order to fill out the skeleton.

- Although all personnel in the gas companies are adjusting to the new framework, they are clearly not moving in unison. There are wide variances in the companies' scales of operations, human resource bases, and the degree of regulatory oversight to which they are subjected according to where their activities fall on the production-distribution continuum, with the distribution companies most heavily regulated.
- The role of MoIT as the ultimate authority and decision-making body appears not to be regarded as a major constraint, with the notable exception of Distrigaz Sud. The General Manager asserted that virtually all of this company's activities have been adversely affected by what he perceives as Ministry interference. MoIT and ANRGN representatives who were interviewed countered that this negative perception has no basis in fact.
- The degree of autonomy that interviewees feel they have varies not only from company to company but also by function within a given company. For example, within the same company, a production manager's perspective was that his department has virtually complete autonomy while a marketing manager said his department's activities are under greater Ministry control.
- The current climate under which the companies are operating does not seem to support or encourage the use of sound international business practices. Companies report that they are currently just managing to cover operating costs. Few describe any significant use of cost containment strategies. Strategic plans, which are subject to Ministry approval, are not yet in place. One manager, who in a previous position with ROMGAZ was responsible for developing a strategic plan but received no support for its implementation, maintained that strategic planning is impossible in Romania.

Training Issues

A number of issues came to light regarding current gaps in gas company personnel experience and educational background, deficiencies in current training provided to personnel, and perceived current training needs.

- Many managers have engineering backgrounds with little, if any, formal business training. One interviewee said this was a problem because such managers are not accustomed to thinking from a financial perspective. Eighty percent of one company's professional staff are engineers, by its human resource manager's estimate.
- Due to an already saturated workforce, few recent graduates are being hired by the companies. As a result, companies' personnel rosters include many long-time employees who are entrenched and invested in the old system and, according to one manager, resistant to change. Such a mindset must be taken into consideration, if not addressed directly, in the design of USAID training.

- All the companies currently provide training for their employees through outside vendors and, in some cases, in-house training as well. This training is overwhelmingly focused on developing technical and on-the-job skills, much – if not most – of it required for licensing and certification. Nonetheless, the need for the kind of training called for to help companies successfully adapt to the new framework under which they are operating — such as leadership, management, planning, organizational development — is acknowledged. Several human resource personnel who were interviewed indicated that their companies were either moving in this direction or were open to it.
- One company currently arranges management training for its senior and mid-level managers, ranging from one week to three months, through local management institutes. However, the head of the company's human resource department, who has herself received training outside the country, questioned the benefits of this local training, citing what she characterized as the Romanian mentality of the instructors. To provide an outside perspective, she recommended the use of experts from other European countries in USAID training, although she also cautioned that such experts sometimes need to be sensitized to the generally high level of technical skills and experience of utility personnel in Romania.
- A common theme which emerged from interviews was the perceived need for hands-on exposure to other gas industry models and their applications. As one manager observed, those within the Romanian gas industry who have business backgrounds and an understanding of the principles of a free market economy lack practical experience in applying this knowledge.
- Requests for USAID training or topics targeted for inclusion in future company training include: business and management, specifically total quality management, human resource management, delegation; marketing; international contracting; training-of-trainers; information technology/data transmission; environmental protection; problem-solving/crisis management (to enable employees to work under less than ideal circumstances); and technical (geological research, new techniques for extraction, implementation of a pipeline network).

Resources and Opportunities

- EU Phare can provide the European expertise and perspective so important to the development of the Romanian gas sector under the new framework, which is striving for compliance with EU membership requirements. To the extent possible, the USAID project will work with EU Phare to provide complementary training which strengthens the role of ANRGN.
- Two companies, Transgaz and Distrigaz Nord, offer in-house training to their employees. Transgaz, having inherited the ROMGAZ training center, has a large infrastructure for training and has provided training for 900 employees in the distribution branches and outside companies as well as its own employees. Distrigaz Nord has recently established its own training center and is moving in the direction of a similar fee-based model which would provide additional revenue for its employee training. Exprogaz hopes to start up a training center as well. We recommend that to the extent possible the project work with

these existing and emerging infrastructures not only as an avenue for USAID training in the short-term but as a tool for ensuring impact and sustainability in the long-term. (See *Human Resource Development*, pages 11 and 12, for discussion of a detailed strategy).

- Another potential outlet for USAID training is the certification program offered by ANRGN. (See *Special Requests and Pledges of Support*, below).

Special Requests and Pledges of Support

- Eng. Mihail Ciocodeica, General Director of the Department of Licenses, Authorizations and Technical Norms, is responsible for the implementation of certification courses offered to the gas companies. He has requested specific assistance from the USAID project in the development and delivery of a course in Participatory Management to add to his existing body of certification courses as well as assistance in developing the certification program as a whole. Since October 2000, his department has provided courses in TQM, company standardization, vendor certification, and implementation of TQM by internal auditors for 38 personnel from all the state-owned gas companies except Distrigaz Nord as well as the private sector.
- Mr. Ciocodeica also requested financial assistance in securing an agreement to obtain the rights to copyrighted training materials from the Juran Institute for use in quality assurance courses.
- Mr. Gheorghe Radu, President of ANRGN, supported a USAID role in the requested management certification course, but asked to see a detailed proposal.
- Eng. Corneliu Condrea of MoIT's Oil and Gas Division and the Ministry's liaison with ANRGN, has agreed to serve as a reference point for USAID training. He also suggested involving MoIT's Legislation Department as an interface for training.

PART II: TRAINING PLAN

TRAINING STRATEGY

In the current climate, training should be viewed both as an opportunity and a challenge. It must look to the future, by creating a cadre of leaders within the industry who can — despite current constraints and uncertainties — sustain a long-range outlook, who are committed to working towards change, and who are equipped with the knowledge and skills to implement reforms. Towards this end, training activities must be structured to facilitate professional networking, create a paradigm shift, build skills and assist in the application of new skills, and ensure training transfer. Training activities will be designed under four overarching rubrics:

- (a) Structuring opportunities for market participants and regulators to dialogue about their respective roles under the new model vis-à-vis one another and MoIT, and to forge productive intra-sectoral relationships (*networking*);

- (b) Assisting in the creation of a corporate culture consistent with the principles of a free market economy (*paradigm shift*);
- (c) Assisting companies/ANRGN in instituting business/regulatory practices based on the principles of a free market economy, leading to greater economic efficiency and financial sustainability (*skill building and application*); and
- (d) Ensuring impact and sustainable results (*transfer of training*).

Consistent with the project work plan and the first part of the USAID IR, *Issuance by ANRGN of a Commercial Code during 2001 and Technical Codes during 2001 and 2002*, the first year's training activities will focus, broadly-speaking, on ANRGN. To the extent possible, these activities will be carried out in collaboration with EU Phare. However, because of the need for all the players to have a shared experience and the importance of creating a dialogue within the sector, managers from the gas companies will join ANRGN for much of this training. An outline of recommended training activities for the first year is included on pages 7 through 10.

During the second project year, the focus of attention will switch to the gas companies and implementation of the commercial and technical codes, per the second part of the IR. Suggested directions for training in the second year are included on pages 10 through 13.

PARTICIPANT SELECTION

Careful selection of the candidates for training activities is essential to ensuring that the activities will have the desired impact on project objectives. In other words, the project goal is to assist in removing barriers to restructuring and regulation of the gas industry consistent with the requirements of the EU and outside investors. Success of the training program can be linked to the extent to which barriers remain entrenched due to human constraints. As relatively few individuals will be the direct recipients of USAID training, participants must be chosen with care.

Although candidate qualifications will vary from one activity to another, certain characteristics should be common to the selection of all training participants, among them:

- Indication of an aptitude for study demonstrated through work or education;
- Evidence of commitment to continue working within the targeted entity;
- Evidence of leadership qualities and willingness to assume a 'change agent' role;
- Evidence of commitment to stated project goals;
- Evidence of commitment and ability to apply training within the workplace;
- Willingness to comply with follow-up training requirements.

Specific guidelines for selection should be established early in the project. Based on the assumption that the most qualified candidate will be identified, an application form should be developed to provide a basic set of information. The information should be weighted to give additional merit to that part of the candidate profile which is most relevant to the training activity in question.

To ensure objectivity and to increase stakeholder involvement, we suggest that the selection process be structured so as to ensure balanced input from USAID and Nexant personnel as well as ANRGN or company representation in the case of collaborative training.

Since it is anticipated that all training under this project will be customized, it will be essential to establish a series of target deadlines so that each participant group is in place early enough to design training according to the specific needs of the group.

COORDINATION/LOGISTICAL ISSUES

- Specific training, logistical and administrative responsibilities, which originally were to have been assigned to appropriate in-country Nexant staff, need to be clarified.
- Advance planning will be necessary for successful USAID-EU Phare collaboration, as well as careful coordination to ensure continuity and compatibility of the projects' respective objectives and the separate maintenance of costs.
- ANRGN has a training room which currently holds about 30 people for lecture-based courses and perhaps half that number for participatory-based training. For maximum flexibility for project purposes, it is recommended that a larger training space in Bucharest be secured. Due to lack of office space for the 10 incoming new regulators, tentatively scheduled to begin in April (see *Collaboration in Training New Hires for ANRGN*, below), it may be necessary to assign the training room to them, in which case identifying new quarters for training will become an immediate priority.
- Training activities will not be scheduled during holiday periods when fewer prospective trainees would be available. These periods include the summer months (June, July, August) and most of the month of December.

RECOMMENDED TRAINING ACTIVITIES FOR YEAR 1

a) Collaboration in Training New Hires for ANRGN

Dates: April 2001– TBD
Location: Bucharest and off-site locations
Target Audience: 10 trainees

Description of Activity:

We propose that the project assist EU Phare in training 10 individuals, tentatively scheduled to start in early April, who will become ANRGN employees in 2002. Training will address gaps in knowledge and experience and could include some combination of formal training, field visits, internships, and mentoring. Consistent with USAID's mandate to assist ANRGN in developing commercial and technical codes, there may be a role for this junior staff in gathering data, the first step for this task. In-country project staff could oversee the research process. In addition, when EU Phare's involvement ends in December 2001, the project could turn its attention to assisting ANRGN in the smooth integration of the new personnel, if needed.

b) European Study Tour

Dates: May 7 – 17, 2001
Location: Italy
Target Audience: 5 senior managers, 1 from each gas company

Description of Activity:

This will be a coordinated activity with EU Phare, who is organizing a study tour in Italy and Germany for ANRGN officials. We propose that ANRGN officials (under EU Phare auspices) and gas company managers (under USAID auspices) join together for the first four days of the tour in Milan where both contingents will receive an overview of the Italian gas regulatory system through visits to the Italian regulatory authority and other players in the gas sector. All project costs for this segment will be kept separate and distinct from the EU Phare project. For the remaining week, the two contingents will branch off into parallel tours, with the regulators moving on to Germany while the industry participants pursue an extended segment in Italy that is targeted to their professional needs. Possible visits include Italgas in Torino, offshore facilities in Ravenna, onshore drilling in the Padana Valley, and the GEA Project, an Italian-Croatian joint venture with the potential for expansion into Romania.

Nexant/Development Associates Role:

- Select and fund participants from the gas companies
- Work with EU Phare to ensure compatibility of respective learning objectives and appropriate customization of managers' track
- Develop and administer an evaluation form and follow-up questionnaire for gas company participants
- Project manager will accompany the gas company managers to assist with logistics and other aspects of the study tour as well as to develop a one-on-one relationship with each of the gas company representatives that will be of value in facilitating the gas company-related aspects of the project

c) Participatory Management Certification Course

Dates: 4 days, mid May 2001
Location: Bucharest
Principal Audience: 20 mid-level managers with roughly equal representation from each gas company
Secondary Audience: ANRGN staff (for half day session with MoIT)

Requirements for Certification:

- Active participation in the course
- Completion of an Action Plan during training and commitment to its implementation in the workplace
- Response to a follow-up survey

Description of Activity:

This is conceived as a two-part activity. The first satisfies Mr. Ciocodeica's request for assistance in developing a Participatory Management course to add to ANRGN's body of

certification courses (see *Special Requests*, page 5) and, at the same time, targets important training areas identified as key to achieving project goals: management, planning techniques, leadership, communication skills, team-building, organizational change. A training expert with management expertise will be provided to work with Mr. Ciocodeica in developing the course and will also assist in the delivery. (During this collaborative process, the expert will also evaluate the current status of ANRGN's certification program to gauge how the project can best assist in its development). Participants will develop Action Plans focusing on the application of new strategies or training transfer and be asked to respond to a follow-up survey. This survey, which will be sent approximately three months after completion of the course, will ask participants to report on initial successes or problems encountered in implementing new management strategies or influencing colleagues to adapt them. Upon completion of this survey, participants will be awarded certification. A preliminary course agenda is attached as Appendix B.

The course offering also provides an opportunity to structure a dialogue between MoIT, ANRGN and the market participants. Ministry representative(s) will be invited to preside over a Q&A session preceding the start of the course. The objectives of this half-day session will be to give participants some context for the restructuring, provide information about the status of current related legislation, and assist participants to begin to sort out their new roles and relationships. A USAID representative will also be invited.

d) Regulatory Law Seminar and Follow-up Strategy Sessions

Dates: 3 days, late May 2001
Location: Bucharest
Target Audience: Key ANRGN staff

Description of Activity:

Complementing the perspectives gained from the May study tour to Europe and previous training given by EU Phare, this seminar will expand participants' understanding of regulatory law from the perspective of an official of the U.S. Federal Energy Regulatory Commission (FERC). This official will also present case studies from other Eastern European countries, where he has assisted other new energy regulatory agencies as part of similar USAID projects. The seminar will cover the historical and conceptual foundations of regulation, the difference between direct control of an enterprise vs. indirect regulation of behavior and how each relates to a market economy, and a review of common legal features of a system of regulation, such as open process. The concepts of public participation, reasoned decision-making, and transparent processes will be emphasized and discussed. In conjunction with the seminar, the FERC representative will be available for direct consultation with in-country project staff and ANRGN staff involved in developing the commercial and technical codes.

e) Customer Communications & Public Participation Workshop

Dates: 2 days, mid September 2001
Location: Bucharest
Target Audience: Key ANRGN staff, Marketing/Development Directors from Distrigaz Sud and Nord (1 representative from each company)

Description of Activity:

This workshop will consist of a review and discussion of international best practices in customer communications, which is a key element in the successful implementation of market rules and tariffs. Topics will include strategies for increasing public awareness, opportunities for public participation, local capacity building and outreach programs, media relations, and information accessibility. The group will analyze and critique various communication tools and techniques with a view towards incorporating those most appropriate to the Romanian context, then draft a set of recommendations. These recommendations will be used as a basis for development of a public communications strategy for ANRGN, to be drafted jointly by the Nexant team and selected ANRGN personnel.

SUGGESTED DIRECTIONS FOR YEAR 2 TRAINING (10/01 – 9/02)

The summer months, when training activities are suspended, will be a good time to take stock of progress towards the achievement of project goals and to re-evaluate training needs, through a review of participant evaluations and follow-up surveys from the first year's training. A discussion of general strategy and a list of illustrative training topics, based on an assumed change in focus to the market participants, follow.

Sub-Sector Training

At the beginning of Year 2, the need for joint training of the gas companies will continue, particularly in subject areas where participants can benefit from idea exchange across sub-sectors. Ideally, as the year goes on and general concepts take hold, training should begin to move to the workplace to address company-specific obstacles to achieving financial sustainability, as well as to enhance each company's abilities to carry out its unique functions and activities in compliance with the newly created codes.

We recommend scheduling training activities at approximately six-week intervals for groups of 15 to 20 employees. To ensure optimal participation and to better tailor content, each group should be comprised of employees from the same level of the company hierarchy. Training events, which might vary from two days to one week long, should emphasize the practical acquisition of skills and, specifically, application of those skills within the context of a free market economy. Towards this end, we recommend incorporating some form of action planning in all but the briefest training events.

Middle managers, those 'rising stars' who are open to new ideas and who will influence change down the road, should be the primary targets of training. However, where policy implementation and decision-making is required at the highest levels of the company, such as with strategic planning, senior managers must be included. Care should be taken to structure training for such personnel that will be viewed as appropriate to their stature, including, for example, 'strategy sessions'.

In addition, the ranks of 'workers', who constitute over 80% of the companies' workforces and currently appear to be receiving training largely geared toward certification or licensing, should not be overlooked. As a large part of the equation, they are either part of the problem or part of the solution. Our experience shows that even the most motivated and committed managers are often not equipped to translate what they have learned from their own training experiences into

meaningful training for their subordinates. It is dangerous to assume that training aimed exclusively at the managerial level will automatically trickle down.

Possible training topics, which can be adapted to different levels of employees, include:

- Business management (separate offerings for financial personnel and non-financial managers)
- Financial analysis/management (financial personnel; non-financial)
- Accounting for non-financial executives
- Project management
- Pipeline economics
- Strategic planning
- Marketing
- Information management
- Procurement & contracting
- Customer communications
- Leadership
- Team-building
- Crisis management
- Conflict resolution/problem-solving
- Managing change
- Environmental management

Human Resource Development

In order to ensure a 'multiplier effect' from USAID training, it will be essential to take advantage of, and bolster, already existing human resource infrastructures — namely, the training center at Transgaz, and possibly the start-up in-house training ventures of other companies as well. This assistance should be planned and carried out in conjunction with the aforementioned worksite training.

In the ideal scenario, the project would design and carry out mutually agreed upon training events in partnership with these training centers and work with human resource managers and trainers to expand their offerings to include a broader array of professional development opportunities for managers and workers across the board. Selected employees from different departments who participated in these courses would be tapped for further training to enable them, in turn, to offer training assistance to the centers. As part of this plan of assistance, formal training would be offered to human resource personnel and prospective trainers, to include:

- Training-of-trainers
- Organizational development
- Managing the training function
- Conducting a needs assessment
- Instructional design
- Action Plan development
- Evaluation and follow-up techniques

When USAID's assistance is discontinued, these centers would carry on with a core of qualified trainers and a body of packaged courses in needed areas --- as distinguished from the required technical training for licensing or certification. These courses would be structured to be readily adaptable to different audiences and different goals. For example, an executive leadership program for senior managers could be reconfigured as a team-building seminar for middle managers or a workshop on how to work as a team member for non-professional staff.

The extent to which the project can and should work with these centers can only be determined through the kind of thorough workplace analysis that was outside of the scope of the training needs assessment. Accordingly, we recommend a follow-up study that should include direct observation of training, a review of participant evaluations, and focused interviews with human resource personnel, trainers, and executives who support the training function. The needs assessor must be able to answer the following questions:

- What is the quality of the current training? Are participant evaluations available and, if so, what do their comments reveal?
- What kind of follow-up, if any, is done to determine to what extent training objectives are achieved or to assist employees in implementing what they learned?
- Who are the trainers and what are their qualifications? Are they using appropriate training methodologies?
- Who determines what training is offered, how frequently it is offered, and to whom?
- What percentage of training is offered to satisfy licensing requirements vs. to rectify a gap in performance or knowledge? Are workplace training needs assessments conducted?
- When is training outsourced, and how is training by outside vendors used to supplement in-house training?

And most importantly:

- Does the human resource director see any need to change the focus or direction of training?
- If so, is there support for this change?
- What are the potential benefits for the company?
- What are the financial and staffing implications?
- To what extent is the training center willing to work with the other companies targeted by the project who do not have in-house training capabilities?

Should the study determine that the aforementioned proposed assistance and collaboration is either not feasible or too ambitious, it may be possible to approach it on a smaller scale with individual participants or through selected departments. Indeed, this approach may prove necessary with those companies who do not offer in-house training and who, for logistics and other reasons, cannot avail themselves of the training offered by the other companies' training centers.

U.S. Study Tour

At the time of the needs assessment, support for the idea of a U.S. study tour was inconclusive. Although there was widespread acknowledgement of the need for exposure to other countries' gas industry and regulatory models, some interviewees expressed doubts as to whether or not the

U.S. was the appropriate venue for new ideas. A possible drawback is that the U.S. natural gas industry is highly deregulated and thus quite different from the EU configuration upon which the Romanian gas sector restructuring and regulatory efforts are patterned. On the other hand, a close look at the strengths and weaknesses of the U.S. model could prove to be a valuable experience, especially if facilitated by an industry expert. A review of participant evaluations from the European study tour as well as other training activities will be used as basis for determining whether a U.S. study tour scheduled during the second project year would provide a helpful comparison with the perspectives gained from exposure to European models.

APPENDIX A
LIST OF PERSONS CONTACTED

USAID GAS REGULATORY & RESTRUCTURING ASSISTANCE PROJECT

Mr. Christopher Turner, Project Manager
Mr. Florin Tobescu, Senior Technical Advisor

USAID ELECTRIC SECTOR RESTRUCTURING PROJECT

Mr. Russell C. Brown, Chief of Party

MINISTRY OF INDUSTRY & TRADE (MOIT)

Eng. Corneliu Condrea, Oil & Gas Division

ANRGN

Mr. Gheorghe Radu, President
Eng. Mihail Ciocodeica, General Director, Licenses, Authorizations & Technical Norms
Ms. Gabriela Ghiurtu, Head of Human Resources
Mr. Gabriel Sarbu, Director, Prices, Tariffs, Methodologies

EU PHARE

Eng. Uwe Gayh, Chief of Party
Mr. Josef-Karl Dumele, Project Manager

DEPOGAZ - PLOIESTI

Eng. Vasile Nicolaescu, Production Executive Director
Eng. Aurelian Petrescu, Sales Manager
Eng. Octavia Trusu, Head of Human Resources Dept.

DISTRIGAZ NORD – TARGU MURES

Mr. Marius Baciu, Director of Supply
Ms. Daniela Petan, Supervisor, Human Resources

DISTRIGAZ SUD - BUCHAREST

Eng. Florin Sebastian Georgescu, General Manager
Eng. Dan Pantile, Manager of Development Dept.
Ms. Michaela Doina Moise, Head of Human Resources Dept.

EXPROGAZ - MEDIAS

Mr. Dumitru Gheorghe Rotar, Sales Director
Mr. Ioan Stan, Director of Human Resources
Mr. Lucian Stancu, Manager of Supply & Development

TRANSGAZ - MEDIAS

Mr. Aurel Mohan, Adjunct Director of Human Resources
Mr. Emil Crisan, Supervisor, Technical & Regulatory Dept.
Eng. Dorin V. Deac, Head of Company Strategies Dept.
Mr. Radu Moldovan, Head of Budgets, Economic Analysis & Pricing Dept.
Mr. Lucian Pirlea, Head of Procurement Dept.

APPENDIX B

PARTICIPATORY MANAGEMENT CERTIFICATION COURSE

PARTICIPATORY MANAGEMENT looks at the broadest range of information sources as inputs to decision-making. It requires the collaboration of various stakeholders in the identification of service issues, discussion of strategies, and changes in strategic and operational approaches to management issues. The course content is based on a shared understanding of the company and industry mission. A Strategic Planning course which includes the development of a mission statement is strongly recommended as a foundation to Participatory Management.

Duration: 4 days

Location: Bucharest

Audience: 20 mid-level managers from Distrigaz Nord and Sud, Transgaz, Depogaz, Exprogaz

Course Objective:

To enhance the decision-making skills of mid- and senior-level managers by utilizing the full participation of employees within a given unit or department as information and opinion resources. The technique thus empowers staff to share responsibility for the unit's success, leading to simplified procedures, reduced costs, and increased revenues.

Upon completion of this course, participants will:

- Gain insight into their own leadership styles and current corporate management structures which may impede or assist in the implementation of participatory decision-making;
- Understand the appropriate application of team building and other group process techniques;
- Develop personal skills for managing and leading teams;
- Know how to use at least two problem-solving techniques; and
- Be prepared to implement participatory management strategies in the workplace.

Course Methodologies:

Case studies, simulations, group discussion and small group work, supplemented by lecture.

Requirements for Certification:

- Active participation in course;
- Completion of an Action Plan during training and commitment to its implementation in the workplace; and
- Response to a follow-up survey.

Suggested Agenda

Following are a list of topics, some or all of which can be applied to a course design once the specific needs, duration and target audience are decided.

Introductory Module: Overview of the Course

- Objectives, methodologies, certification requirements; and
- Defining 'Participatory Management' and identifying the keys to its success.

Module I: The Planning Process

- Setting goals;
- Identifying assets and liabilities; and
- Using problem solving/decision-making tools.

Module II: Understanding Group Process

- Examination of management styles conducive to effective team-building;
- Assessment of various corporate management structures; and
- How to work in a horizontal mode of operation.

Module III: Stages of Team Development

- Self-directed teams; and
- Managing vs. leading teams.

Module IV: Team Leader Skills

- Communication and consensus building;
- Providing feedback in a conflict situation; and
- Coaching, motivating, empowering.

Module V: Action Plan Development

- Presentation of Action Plans;
- Group critique and feedback; and
- Wrap – up and course evaluations.