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# REPORT ON THE DELIVERY OF CHANGE MANAGEMENT TRAINING TO OFFICIALS OF THE EGYPTIAN CUSTOMS AUTHORITY

May 10, 2006

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# **REPORT ON THE DELIVERY OF CHANGE MANAGEMENT TRAINING TO OFFICIALS OF THE EGYPTIAN CUSTOMS AUTHORITY**

TECHNICAL ASSISTANCE FOR POLICY REFORM II

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BEARINGPOINT, INC.

USAID/EGYPT POLICY AND PRIVATE SECTOR OFFICE

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## **BACKGROUND**

From April 6-8 2006, Phase 1 of the Executive Development Program was presented to the Senior Management Team of the ECA by project specialists from TEP-C (EU) and TAPR2 (USAID). This was a joint program by the EU and USAID which focused on Managing Change and Working with the New Organization presented by J.G. Johnston of Bearing Point/Crown Agents and a Strategic Planning Workshop presented by Chris Page and Douglas Reid of Maxwell Stamp.

## **PROGRAM PRESENTATION**

“Managing Change” and “Working with the New Organization” was presented in seminar/workshop format on April 6. Eleven Senior Executives and Training Specialists for the ECA participated in the session. The Managing Change Module contained the following segments

- Introduction to the nature of change and differing reactions to personal change versus organizational change
- Change dynamics, origin of change and organizational behavior in a period of change
- Pressures on Customs to change, influencing factors and global trends (developed from WCO analysis)
- Strategies for the senior manager in dealing with change.
- Staff reaction to change
- Developing an effective approach to managing change.

At the close of the Managing Change Module, participants were asked to convene in working groups to develop a “Managing Change Charter”. This was presented in plenary session, agreed upon and is currently being formatted for signature by all course participants and subsequent publication. The charter draft is attached.

The “Working with the New Organization” module contained the following segments:

- Discussion of Line/Staff roles within the framework of Program Delivery and Program support.
- The concept of the “total manager” with the full range of responsibilities and accountabilities.
- Delegation of Authority, the nature of delegation and its applicability to the new organization.
- Specific discussion regarding the various Sectors and interrelationships between the Central and General Directorates.

## **STRATEGIC PLANNING WORKSHOP**

On April 7 & 8, J. G, Johnston assisted TEP-C EU representatives in conducting the Strategic Planning Workshop portion of EDP. This helped to ensure that the development of Strategic Objectives were consistent with the role and mandate of the New Organization and its internal components.

The EU TEP-C “Mission Report” and the “Evaluation Report” are attached as appendices.

**ECA SENIOR MANAGEMENT TEAM**  
**DRAFT CHANGE MANAGEMENT CHARTER**

We the Senior Management Team of the Egyptian Customs Authority commit to the following principles in managing the change arising from the reform and modernization process:

- 1) We as leaders will ensure that we are prepared, trained and fully committed to the change process.
- 2) We, as leaders, will demonstrate commitment to and compliance with all modernization and reform initiatives as an example to the rest of the organization.
- 3) We will ensure that international standards and best practice will serve as the criteria for modernization and reform.
- 4) We will do all that is possible to ensure that change is supported with required tools and technology.
- 5) We will take all necessary steps to prepare the organization and its stakeholders for the changes arising from modernization and reform.



**TECHNICAL ASSISTANCE  
FOR THE TRADE  
ENHANCEMENT PROGRAMME  
'C' IN EGYPT**

**EXECUTIVE DEVELOPMENT PROGRAMME**

**REPORT ON DELIVERY OF PHASE 1:**

**6 – 8 APRIL 2006, AIN SOKHNA**



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## 1.0 SECTION 1: INTRODUCTION

- 1.1 This report covers a mission to Egypt by Chris Page and Douglas Reid to deliver Phase 1 of the Executive Development Programme (EDP) for the senior managers of the Egyptian Customs Authority (ECA).
- 1.2 The EDP as a whole is described at Appendix A. Phase 1 comprised a facilitated 3-day management meeting directed principally towards the ECA’s most senior managers, and key ECA ‘change agents’ participating in the reform and modernisation process. By prior agreement between all parties, Phase 1 incorporated inputs from the USAID-funded ‘TAPR II’ project, in the form of presentations and discussion sessions led by John Johnston, HR Expert.
- 1.3 Section 3 of the report sets out the main conclusions drawn from the mission, and makes recommendations for action as appropriate.
- 1.4 A list of the meeting participants is at Appendix B.

## 2.0 SECTION 2: ACTION DURING THE MISSION

- 2.1 Prior to the mission, all of the ECA participants on the list at Appendix B had been issued by the Customs Reform Unit (CRU) with a formal invitation letter and outline description of the meeting.
- 2.2 Chris Page and Douglas Reid travelled to Ain Sokhna late on Wednesday 4 April, and spent the following day, with the assistance of Nancy El-Shindy, preparing the venue, arranging equipment and catering, and setting out the delegates’ working papers. These included (a) the list of delegates, (b) the meeting timetable, and (c) the latest version of the new ECA organisation<sup>1</sup>, all translated into Arabic.
- 2.3 The meeting was organised along the lines of a workshop, and delivered in close conformance with the timetable at Appendix C. The meeting began on the morning of 6 April with a brief welcome and introduction from Mr Mahmoud Abou Alla, Deputy Head of the CRU, followed by a short session by Chris Page setting out the framework and context of the meeting.
- 2.4 The rest of the day was facilitated by John Johnston, who presented sessions on ‘Managing the Change Process’ and ‘Working with the New ECA Organisation’, and led related discussions with and amongst the delegates. A principal objective for the delegates, arising from these inputs, was the development of a ‘Change Management Charter’. Mr Johnston briefed the delegates on the purpose, structure and indicative content of that document, and challenged them to produce a draft version by the end of the meeting.
- 2.5 In the event, the delegates produced a draft ‘Change Management Charter’ the same evening. This was translated into English the following morning, and very slightly re-drafted by Mr Johnston into the version at Appendix D. This draft was briefly presented and discussed on the third day of the meeting, and left with the delegates for further consideration and development subsequently.
- 2.6 During Days 2 and 3 of the meeting, Mr Page and Mr Reid employed a variety of methods – direct input, supported by PowerPoint presentations; whole group discussions; syndicate exercises; and managed feedback of findings – to facilitate the processes of:
  - Reviewing & revising the 15 ‘Strategic Goals of the ECA’ (originally developed in July 2005), converting them into ‘SMART’<sup>2</sup> strategic objectives; and
  - Allocating responsibility for the achievement of the Strategic Objectives to the respective senior commands in the new ECA organisation.
- 2.7 The principal outcomes of that work were:

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<sup>1</sup> Courtesy of the USAID-funded ‘TAPR II’ project contractor, Bearing Point.

<sup>2</sup> Specific; Measurable; Achievable; Realistic; Time-bound

- 
- The production of a new list of 6 draft Strategic Objectives (see Appendix E) which, after further consideration and refinement, will be ready for submission to the ECA Commissioner; and
  - A broad agreement amongst the delegates about the responsibility of the various ECA senior management commands for the implementation of each of the Strategic Objectives.
- 2.8 During the latter part of Day 3, Mr Page outlined for the delegates how Phases 2 and 3 of the Executive Development Programme (EDP – see Appendix A) are intended to operate, and how the finalised Strategic Objectives will be used as the basis for devising and implementing a planning system which enables:
- (a) The formulation of operational plans, for each ECA business/functional area, based upon the strategic objectives;
  - (b) The setting of measurable objectives (at sectoral and directorate levels, and on a team and individual basis), having regard to available resources; and
  - (c) The identification and application of the appropriate work structures, operating policies, tasks, job descriptions and reporting relationships to meet the objectives set.
- 2.9 The EDP will not only help the ECA’s senior and middle managers to put the planning system in place, but will also further develop their abilities to set standards; manage, motivate and coach subordinates to deliver the results required; identify and address performance shortfalls; and identify training and development needs/ evaluate training outcomes.
- 2.10 At the end of the meeting, each of the delegates was issued with an Evaluation Questionnaire. The consolidated responses are at Appendix F.
- 2.11 All of the delegates were presented with a ‘Certificate of Successful Completion’ (see example at Appendix G).
- 2.12 The meeting concluded on 8 April with formal closing addresses by Mr Mohamed Hassan, Mr Mahmoud Abou Alla, and Mr Page.

### 3.0 SECTION 3: CONCLUSIONS AND RECOMMENDATIONS

- 3.1 The facilitators were very impressed with the enthusiasm and openness of the ECA delegates, and the hard work that they all put into this first Phase of their Executive Development Programme. Organising the event as a facilitated meeting of the ECA Senior Management Team, and key advisers – rather than as a formal training course – undoubtedly contributed to the productive atmosphere. The quality of the meeting venue, and its location away from the distractions of ECA operations, also played an important part. It is accordingly **recommended** that the two events that comprise Phase 2 of the EDP are organised in a similar manner.
- 3.2 Phase 1 produced a number of very positive outcomes:
- A draft 'Change Management Charter' for the ECA;
  - A refined list of draft Strategic Objectives for the ECA;
  - A clear understanding and acknowledgement by the delegates of the importance of underpinning the new ECA organisation with a programme of relevant development for the Senior Management Team, and subordinate managers;
  - A heightened appreciation amongst the Senior Management Team of the mutually-reinforcing nature of (i) the new ECA structure and (ii) clearly articulated strategic objectives; and the value of building further management development work around their design, development and implementation of a planning system;
  - Broad agreement to the content and objectives of Phases 2 & 3 of the EDP, previously recommended; and
  - A concrete example of practical, effective cooperation between projects funded by different donors.
- 3.3 Both the (draft) 'Change Management Charter' and 'Strategic Objectives' require some further internal discussion and refinement within the ECA, and this was acknowledged by the delegates. The facilitators are confident that these processes will take place in due course, with successful outcomes – the key point being that both documents are the product of the ECA's own labours, rather than something created for them by outsiders. There is accordingly a high degree of ECA ownership, which is a vital ingredient in successful organisational change.
- 3.4 Phase 2 of the EDP cannot realistically take place until the draft Strategic Objectives have been settled, and agreed by the ECA Commissioner. It is **recommended** that this should be done fairly quickly – certainly within the next two months to 10 weeks – in order not to lose momentum. This would place Phase 2 of the EDP in August 2006 at the earliest. Since Phase 3 of the EDP automatically follows Phase 2, but will take longer to organise and deliver, it is **recommended** that Phase 2 is completed not later than October 2006.

- 3.5 The responses to the Evaluation Questionnaires (Appendix F) indicate that the management meeting/ workshop successfully delivered its key messages, met its objectives, and was generally well received.

#### 4.0 SECTION 4: ACKNOWLEDGEMENTS

4.1 The facilitators would like to thank the following people:

- John Johnston, HR Expert, Bearing Point/ USAID 'TAPR II' project, for his own important contribution to the proceedings, and support throughout to colleagues and participants alike.
- Noha Shaltot and Nihal El Nahas in the CRU, for their first-class interpretation and translation work throughout the meeting.
- Nancy El-Shindy, for her excellent administrative work, before, during and after the meeting.
- All of the meeting participants, for their cooperation, good company, and allowing us a privileged view of their perspectives on the organisational realities they are facing; and, last but by no means least
- Mahmoud Abou Alla and Alaa Bassyouni, respectively Deputy Head and Training Coordinator of the CRU, for their regular advice on ways to better get our messages across.

**EXECUTIVE DEVELOPMENT PROGRAMME: EGYPTIAN CUSTOMS ADMINISTRATION**

<b>Phase 1</b>					
<b>Event</b>	<b>Outline Content</b>	<b>Duration/ Dates</b>	<b>Venue</b>	<b>Target Audience</b>	<b>Trainers</b>
The Top Management Team: Leading the New ECA into the Future	<ul style="list-style-type: none"> <li>– Managing the Change Process.</li> <li>– Working with the New ECA Organisation.</li> <li>– Reviewing and revising the ECA's 15 Strategic Objectives.</li> <li>– Allocating responsibility for the achievement of those objectives to respective senior commands.</li> <li>– Agreeing the final content and focus of Phases 2 &amp; 3 of the Executive Development Programme, and the required supporting measures.</li> </ul>	3 Days: 6 to 8 April, 2006	Ain Sokhna	ECA Top Management Team: Sector & Regional Directors	Johnston (USAID 'TAPR II'), Page & Reid (EU TA for TEP-C)

<b>Phase 2</b>					
<b>Event</b>	<b>Outline Content</b>	<b>Duration/ Dates</b>	<b>Venue</b>	<b>Target Audience</b>	<b>Trainers</b>
Devising the ECA's Management Planning System	<ul style="list-style-type: none"> <li>- Developing and elaborating the ECA management planning system.</li> <li>- Agreeing the related processes, systems and structures for monitoring implementation &amp; achievement.</li> </ul>	4 days: TBD	TBD	ECA Top Management Team: Sector & Regional Directors	Page & Reid
<b>Phase 3</b>					
Implementing the ECA's Management Planning System	<ul style="list-style-type: none"> <li>- Formulating operational plans, for each customs functional area, based upon the strategic objectives agreed in Phase 1.</li> <li>- Setting measurable objectives, having regard to available resources.</li> <li>- Managing implementation.</li> </ul>	4 Days: TBD	HQ and Regional ECA operational units: one training event per location.	Individual Sector and Regional Directors + their teams of Central Directors	TBD

**TIMETABLE: EXECUTIVE DEVELOPMENT PROGRAMME, PHASE 1**

**DAY 1**

10.00	Delegates assemble ~ Coffee available
10.30	<b>4.1.1.1.1.1.1 Introductions</b>
10.45	Framework and Context of the Workshop
11.00	<b>4.1.1.1.1.1.2 Managing the Change Process</b>
12.30 to 13.30	<b>4.1.1.1.1.1.3 Break</b>
13.30	<b>4.1.1.1.1.1.4 Managing the Change Process (Cont)</b>
14.30	<b>4.1.1.1.1.1.5 Working with the New Organisation</b>
17.30	<b>4.1.1.1.1.1.6 Close</b>

**DAY 2**

09.30	Reviewing & Revising the 15 Strategic Objectives of the ECA Purpose of New ECA Structure Need for Goals to be articulated as Strategic Objectives Reviewing Existing Strategic Objectives SMART Objectives
12.30 to 13.30	<b>4.1.1.1.1.1.7 Break</b>
13.30	<b>4.1.1.1.1.1.8 Reviewing &amp; Revising the 15 Strategic Objectives of the ECA (Cont)</b>
16.00	<b>4.1.1.1.1.1.9 Close</b>
<b>4.1.1.1.1.1.10</b>	<b>DAY 3</b>
09.30	<b>4.1.1.1.1.1.11 Allocating responsibility for the achievement of the Strategic Objectives to respective senior commands</b>
12.30 to 13.30	<b>4.1.1.1.1.1.12 Break</b>
13.30	<b>4.1.1.1.1.1.13 Allocating responsibility for the achievement of the Strategic Objectives to respective senior commands (Cont)</b>
14.30	<b>4.1.1.1.1.1.14 Agreeing the final content and focus of Phases 2 &amp; 3 of the Executive Development Programme, and the required supporting measures</b>
15.30	<b>4.1.1.1.1.1.15 Review of Workshop</b>
16.00	<b>4.1.1.1.1.1.16 Close</b>

**ECA SENIOR MANAGEMENT TEAM**  
**DRAFT CHANGE MANAGEMENT CHARTER**

We the Senior Management Team of the Egyptian Customs Authority commit to the following principles in managing the change arising from the reform and modernization process:

- 6) We as leaders will ensure that we are prepared, trained and fully committed to the change process.
- 7) We, as leaders, will demonstrate commitment to and compliance with all modernization and reform initiatives as an example to the rest of the organization.
- 8) We will ensure that international standards and best practice will serve as the criteria for modernization and reform.
- 9) We will do all that is possible to ensure that change is supported with required tools and technology.
- 10) We will take all necessary steps to prepare the organization and its stakeholders for the changes arising from modernization and reform.

## Suggested Strategic Objectives For the ECA



6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> of April  
Ain Sokhna  
Work Groups 1 & 2

لخ نم ةلم اكم ةي ك ر م ج ةمدخ مي دقت  
ح ريسيت ق قحت لم ع ةموظنم ري ووطت  
م ر م ج ل ا ةب ا ق ر ل ا م ا ك ح ا و ة ر ا ج ت ل ا

**Providing a comprehensive  
customs service through  
developing a system which is  
able to achieve trade  
movement facilitation and  
effective customs control  
(within a defined time  
schedule).**

مجالا ةبيريضلا لى صحت ةءافاضفخ عم  
ىل عى كرمجالا صىل ختلا ةفيل الم تب  
يرضلا ةل ادعلا ققحي

Ensure equal tax treatment  
through efficient revenue collection  
whilst reducing transaction costs

قإلالخ نم ةيقادصم او ةيفافشلا قيقحت  
جم و ةيرصملا كرامجالا ةحلصم نيب ةكراشم  
ما قيقحت ىل ع دعاسي امب ةراجتلا و لامعألا  
ىراجتلا

**Establish a transparent and  
credible partnership between the  
ECA and the business & trade  
community with the purpose of  
achieving trade compliance.**

الجمهورية العربية السورية  
مبني على مبادئها الأساسية و  
الابتعاد عن أي تدخل خارجي  
في شؤونها الداخلية و  
تبنيها لبرنامج عمل

**Developing the human resources through capacity building and training plans and through designing an organizational structure that supports effective decision making which takes into consideration best international practices and standards (operating in a suitable work environment).**

تعزيز دورها في التنمية  
والمساهمة في تحقيق  
الهدم و  
مزاياها  
مزاياها

**Continuous review of customs legislations to ensure that the legislations are fulfilling the requirements of the ECA in its changing environment and providing suggested amendments of the law subject to appropriate action by the concerned bodies.**

عم قفاوتت ةىلمعت اسرامم ىنبت  
سودلارى اعمل ا بشتان ئوي غتملا ةرى اسمل  
ةى داصت قة ئىلمل اعلا ةىك رمجلا

**To adopt working practices that  
meet the best and most  
appropriate international  
standards in order to enable the  
ECA to accommodate the new  
international economic/customs  
changes.**

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## **DELEGATE LIST**

### **Executive Development Programme, Phase 1,** **Ain Sokhna, 6 to 8 April 2006**

<b>Name</b>	<b>Function/ Location</b>
Mohamed HASSAN	Director, Ops Sector/Alexandria
Mahmoud ABOU ALLA	CRU/Alexandria
Mohamed SALEM	Director Security, Finance and Administrative Sector/Alexandria
Alaa BASSYOUNI	Training Coordinator, CRU, Alexandria
Adly ABD EL RAZIK	Regional Director/Alexandria
Hassan EL NASHAR	Sector Director/Corporate AffairsCairo
Abd EL AZIZ SHALABY	Regional Director/Cairo
Abd EL SALAM EL SIEFY	?/Cairo
Youssef EL SHARKAWY	Regional Director/Cairo
Zakaria SADOON	Sector Director, Trade Compliance/Cairo
Ahmed ISMAIL	Sector Director, HR & CB/Cairo
Nabieh HAMZA	Sector Director, Technology/Cairo

**Facilitators:** Chris Page, Douglas Reid & John Johnston

## SUMMARY OF EVALUATION QUESTIONNAIRES

### EXECUTIVE DEVELOPMENT PROGRAMME, PHASE 1

5.0 <b>Subject</b>	<b>Q1.</b> How confident are you that you understand the subject matter covered under each of the following headings during the meeting?					<b>Q2.</b> How relevant are each of these to your role as a senior manager in the ECA?					
a) The nature of change.	Very confident	<b>8</b>	<b>2</b>	-	-	Not at all confident	Very relevant	<b>10</b>	-	-	Not at all relevant
b) How organisations resist change and initiate change.	Very confident	<b>9</b>	<b>1</b>	-	-	Not at all confident	Very relevant	<b>9</b>	<b>1</b>	-	Not at all relevant
c) The pressures on Customs to modernise.	Very confident	<b>8</b>	<b>2</b>	-	-	Not at all confident	Very relevant	<b>10</b>	-	-	Not at all relevant
d) The key techniques for managing change.	Very confident	<b>9</b>	<b>1</b>	-	-	Not at all confident	Very relevant	<b>8</b>	<b>2</b>	-	Not at all relevant
e) Roles & mandates; functional and line authorities; and responsibilities and accountabilities in the new ECA.	Very confident					Not at all confident	Very relevant				Not at all relevant
f) The importance of SMART Strategic Objectives.	Very confident					Not at all confident	Very relevant				Not at all relevant
g) Allocating clear senior responsibilities for the achievement of the Strategic Objectives.	Very confident					Not at all confident	Very relevant				Not at all relevant
h) The importance of establishing a formal planning system for the ECA.	Very confident					Not at all confident	Very relevant				Not at all relevant
i) The purpose, content and objectives of Phases 2 & 3 of the EDP.	Very confident					Not at all confident	Very relevant				Not at all relevant

Q3. Were there any subjects that could have been covered in more detail? If so, please list them below, and give reasons in each case:

- *The role of each senior leader in the ECA within the changing process and his role and responsibilities to manage those changes in his sector.*
- *Providing training to the middle managers because they are important partners in the implementation of the changing process.*

Q4. Were there any subjects that could have been left out? If so, please list them below, and again give reasons in each case:

- *No.*

Q5. Was the time given to the workshop

6.0	1	Too short?
8		About right?
		Too long?

Q6. Was the pace of the workshop

2	Too fast?
7	About right?
	Too slow?

Q7. Overall how relevant was the workshop to your role and responsibilities?

Very relevant	9	Not at all relevant
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Q8. As a result of the workshop, has your overall confidence in your ability to make improvements in your area of responsibility

9	Increased?
1	Remained the same?
-	Decreased?

Q9. Do you think there is a better way to carry out this kind of development?

1	Yes	If yes, please comment on the next page
5	No	

Q10. Overall, the workshop was

Very good	9	Very Poor
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## THE FACILITATORS

*Please rate the facilitators in the following aspects:*

### John Johnston

Very credible	100%	%	%	%	%	Not at all credible
Very professional	100%	%	%	%	%	Very unprofessional
Very supportive	100%	%	%	%	%	Not at all supportive
Very good presentation	100%	%	%	%	%	Very poor presentation

### Chris Page

Very credible	100%	%	%	%	%	Not at all credible
Very professional	100%	%	%	%	%	Very unprofessional
Very supportive	100%	%	%	%	%	Not at all supportive
Very good presentation	100%	%	%	%	%	Very poor presentation

### DOUGLAS REID

Very credible	100%	%	%	%	%	Not at all credible
Very professional	100%	%	%	%	%	Very unprofessional
Very supportive	100%	%	%	%	%	Not at all supportive
Very good presentation	100%	%	%	%	%	Very poor presentation

### OTHER COMMENTS

*Please make any other comments about the workshop that you think will help Maxwell Stamp plc to improve their service in the future:*

**Technical Assistance for Policy Reform II**  
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