

TECHNICAL REPORT

Training and Orientation Program for Junior Staff of the Egyptian Commercial Service



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1. Introduction

When the Egyptian Commercial Service (ECS) hired 38 attachés who had never worked overseas and who needed training in the nature of the work expected from them, ATR and ECS designed and implemented a training and orientation program. The primary purposes of the program include

- Familiarizing attachés with the work of the ECS, focusing especially on functions of a commercial attaché working overseas.
- Helping attachés understand and appreciate skills required for export promotion.
- Instilling a sense of professional and personal discipline.
- Introducing management and executive techniques for coping with the promise of expanding and integrated government policies aimed at trade promotion.
- Promoting an empowered “esprit de corps” within the ECS.

The secondary purposes of the program include providing

- A forum where new attachés (1) hear firsthand from key operatives – public and private sector – in trade promotion, and (2) can use their English language skills, both in speaking and listening, recognizing that English is the universally accepted language of international business;
- Training that can be observed by other trainers in ECS, ATR, and Foreign Trade Training Center (FTTC); and
- A curriculum that can be repeated if more attachés are hired.

The program concept was strongly influenced by the advice of ECS Director E. Mohamed Hefni, who emphasized three themes for improving ECS operations that should have a bearing on training: being patient, positive, and pragmatic. The resulting course is a basic, pragmatic program that uses a good amount of “show and tell” to hold and reward trainees’ attention. Training subjects focus on the “ins and outs” of commercial work, describing exactly what commercial attachés need to know and do and what customers expect in business facilitation services. The program also makes good use of “real-life” practitioners from the public and private sectors (e.g., representatives from the U.S. Commercial Service of the U.S. Embassy, Cairo; from the Commercial Representation Office of the Embassy of India, Cairo; two former senior officers of the U.S. Commercial

Service; senior ECS staff; staff from other MFTI offices; ATR staff; representatives of other entities (such as investment and export guarantee Co.) ; an ambassador and Assistant Minister of Foreign Affairs; a ranking member of the Egyptian Businessmen's Association). The course agenda exemplifies Director Hefni's "3 + one" synergy mix for promoting operational effectiveness and efficiency.

The six-day program employs a variety of educational techniques, including lectures, discussion, group exercises, and visual presentations. The program emphasizes attaché involvement so that attaché become aware of their abilities and limitations and the need for continual self-improvement and teamwork. Program details are in the Course Agenda presented in Appendix A.

Launched on schedule, the program was smoothly implemented with good results. The next section describes the highlights of each day of the program; the last section provides a wide range of recommendations on the course itself, on training logistics, and on possible subjects for further training.

2. Daily Program Highlights

Day 1 – Tuesday, January 11, 2005

OPENING REMARKS. Mr. Tarek Abbas, Minister Plenipotentiary, Commercial, Head of the EU Department, opened the forum, stating that training was “part of a process” and would become part of a “continuous process.” He underscored the requirement to upgrade staff standards and strengthen awareness of private sector activities as an investment in human resources. Dr. Tim Buehrer, Chief of Party, Assistance for Trade Reform Project (ATR), provided an overview of the ATR project, indicating that the training and orientation program for junior ECS staff was the first of what is hoped will be a series of training events for ECS staff. It appears that ECS and ATR leadership agree that training will be sustained.

Setting the tone for the first day of training, Mr. Nagui El-Fayoumi, Senior Advisor to the Minister, addressed the group saying the Minister is introducing “a new way of thinking.” This process is intended to revamp MFTI organizational structures to create systems that work. After all, not even the best strategy will work if an organization’s “internals” are ineffective. Exercising the new way of thinking will require more collaboration and cooperation among MFTI sections and with other ministries. Teamwork will be a key to success, particularly teamwork that avoids wasteful duplication of effort. This enthusiastic message boosted the energy of the attachés who appear eager to embrace the new “mindset” necessary to make the ECS more efficient and effective in promoting trade and investment.

DATA BANK. Commercial Counselor Mr. Ali Elhariri then provided an update of ECS progress in creating a data bank for commercial information. He explained how the system is intended to function and the responsibilities of the attachés in making it function properly, especially the requirement to enter timely and accurate market insight information.

COUNTRY TEAMS AND TEAMWORK. The seasoned career diplomat, Ambassador Dr. Sallamah Shaker, Former Ambassador to Canada and now Assistant Minister of Foreign Affairs, described how the Country Team (various embassy sections) functions. Again, the role of teamwork was very clear. If you want to be successful, she told the group, you learn quickly to work as part of a team. The group was to hear this message

repeatedly throughout the training program. Pleased to see this first training session getting underway, Ambassador Shaker commented it had taken a long time (almost nine years) to reach this roll-out event. She affirmed that junior officers participating at the event were, indeed, the future of Egypt. She encouraged them to remember the proud traditions of Egypt's long history and to have the self-motivation to look at each new day with vigor. She told them they must love their work and always ask themselves "What can I do well today?"

FUTURE TRAINING NEEDS. The private sector representative who addressed the group during an afternoon session made several recommendations for future training. She underscored the need for training in business networking and contact development, foreign language, and understanding and appreciation of information technology as a trade facilitation tool. On this last point, she stressed that businesses need quick response in all matters relative to commercial transactions. She also emphasized that ECS staff need to "learn about the country" to which they are assigned. While she did not state that staff ought to be trained in this regard, some kind of formal training on countries and regions would be useful for ECS officers prior to overseas assignment. (See Appendix B "The Egyptian Commercial Service. Considerations for Improving Operational Effectiveness, page 7.) She implied that the private sector could benefit from increased provision of market information, including market research. (Training on market research and information product development might well be a good subject for the ECS training curriculum.)

Recommendations by presenters, especially those from the private sector, during Day 1 indicate a need for training in (1) business facilitation (especially contact development and outreach), (2) area/regional studies, and (3) market research and information product development. In addition, contact between ECS staff and leading business organizations, such as the Egyptian Businessmen's Association, needs to be strengthened and sustained. This need was addressed in a report submitted by Eric Weaver, Nathan Associates, to ECS and ATR (see Appendix B, page 12). This challenge remains. It is again recommended that senior ECS managers act immediately to ensure personal contact with the business association leaders to establish and sustain a dialogue between ECS staff and the business community. This will enhance and improve collaboration that maximizes Egyptian export promotion.

Day 2—Wednesday, January 12, 2005

STRATEGIC PUBLIC-PRIVATE SECTOR ALLIANCES. Day 2 got off to a rousing start with hard-hitting presentation by Helmy Abouleish, Managing Director of SEKEM Group, a leading exporter of organic food products to Europe and the United States. The Egyptian export community, private sector and public sector, must have a clear vision of what is necessary to succeed. While "exports will occur" regardless of what happens within the economy, the capacity for expanding exports will be determined by Egypt's competitiveness in the global market place. The ECS, especially overseas staff, can

advance Egypt's export competitiveness by providing timely information on foreign markets, including information on trends and opportunities.

Mr. Abouleish indicated that his experience with ECS representatives abroad had been "mixed," perhaps reflecting inconsistent standards in the ECS network brought about by any number of variables (e.g., unprepared staff, inadequate staff, lack of adequate operational budgets, or even indifference, ineptness, and negligence on the part of the posted ECS representative). Nevertheless, the gap between the mindsets of the public and private sectors was being bridged by recent efforts from both sides. Strengthening the "new strategic alliance" will require recognizing that the business community expects services from the ECS and that ECS must have a strategy to build export capacity and use performance indicators to measure program success. With 62 locations now targeted by ECS staff placements, ECS managers must know well where export potential lies and have a clear picture of any given target market. All offices must be *strategically* situated and the skills and knowledge of ECS staff, wherever appropriate, should be "matched" to the export opportunities of a particular market. For example, in markets with high potential for export of commodities such as pharmaceuticals or agricultural products, ECS staff need to have in-depth knowledge of these sectors. Merely cursory knowledge will not help maximize market penetration and may lead to lost opportunities.

To support quick and efficient market information flow, sophisticated data systems are essential. These systems must be standard, efficient, and precise because up-to-date information is important. The ECS must also take a more proactive stance in marketing its services to the private sector, perhaps through more aggressive and sustained outreach to ECS clients, such as regular meetings with local and regional chambers of commerce and other trade promotion entities. Again, it is clear more needs to be done as soon as possible to strengthen direct and personal ties with and collaboration between ECS staff and the business community.

SKILLS AND TECHNIQUES OF COMMERCIAL DIPLOMACY. The next session focused on functional aspects of commercial diplomacy and the skills and techniques of effective trade promotion. This session was one of several incorporated by design into the program to reaffirm the factors inherent to proactive and successful trade promotion. A series of independent presentations reinforced the basics of trade promotion. For example, the first session, delivered by Eric Weaver, Consultant and Course Leader, focused on factors vital for success in trade promotion. Taking an "experiential approach," Mr. Weaver shared myriad examples drawn from his 32-year career as a commercial diplomat in the U.S. Commercial Service. He used transparencies to illustrate key themes:¹

- Building and managing contacts

¹ Just before the start of the session, electrical power was lost but did not delay the presentation, which included numerous visual aids. The power loss, in fact, helped illustrate what effective commercial attachés need to know—how to quickly adjust to rapidly changing situations. The Consultant instead relied on hardcopies of the materials planned for transparency presentation.

- Networking for success
- Outreach – building strategic alliances
- Customer relationship management – internal and external
- Adjusting to new markets
- Knowledge of the marketplace
- Alpha/omega principle.

Mr. Weaver focused on how to build contacts and why a wide range of contacts is vital for acquiring information and serving the Egyptian business client. Contact building requires getting out of the office into the business community and meeting the people who the commercial attaché will need to know to promote the sale of Egyptian goods and services. Trainees grasped and accepted the concepts and suggestions for sharpening their networking skills. At the same time, they apparently know very little about this basic requirement of commercial diplomacy. Additional training in contact development and outreach is recommended.

FIELD EXPERIENCES. The final session of Day 2 focused on the experiences of commercial attachés. Dr. James Joy, Commercial Counselor, U.S. Commercial Service of the U.S. Embassy, Cairo, led the presentation and was joined by two expert staff of his office. He described functions required for success in trade promotion and challenged trainees to understand the reasons for such functions, the role of the ECS, and their client base (e.g., new-to-market firms, old-to-market firms, export-ready firms, and new-to-export firms, or a combination). Market information, including basic contact information and company profiles are a vital part of the commercial attaché portfolio. In trade disputes early intervention by an attaché can help resolve misunderstandings between Egyptian firms and business representatives in the countries where they are working. The attaché can also do much to ensure that business partnerships between Egyptian business representatives and their contacts remain strong.

The two expert members of Mr. Joy's staff described fee-based services offered to U.S. business clients seeking to enter the Egyptian marketplace. One program is the "International Company Profile," a report prepared by U.S. Commercial Service staff at the commercial office in Cairo. The report provides U.S. firms very detailed information on prospective Egyptian business partners. Preparing the report requires personally visiting the offices of the Egyptian firm, meeting the principals of the firm, and getting a firsthand look at the firm's operation. This kind of due diligence is required to prepare information reports useful to firms considering doing business with Egyptian firms. The "Gold Key" program, a service for businesses wishing to meet new business partners, provides

- Appointments with prescreened potential buyers, sales representatives, and business partners;
- Customized market and industry briefings with in-county experts before business meetings with prospective clients, customers, partners;
- Market research on specific industries;

- Assistance with travel, accommodations, interpreter service, and other logistics; and
- Post-meeting debriefing with trade experts to discuss results of meetings and to develop appropriate follow-up strategies.

The ECS commercial attachés were very interested in the fee-based programs. Introducing a means for charging for services to recover some costs may alleviate pressure on very scarce budget resources for attachés working overseas (see Appendix B, page 10).

Day 3—Thursday, January 13, 2005

TRADE POLICY. The first session of Day 3 focused on matters of trade policy. Mr. Mohamed Sadek, Minister Plenipotentiary Commercial, and Head of the African Department at the ECS, led the session. He presented a solid overview of the various trade groupings, discussing the Common Market for Eastern and Southern Africa (COMESA) trade agreement and other regional trade pacts, such as the Southern African Development Community (SADC).² Mr. Sadek's presentation skills served as a model for the junior staff. At the conclusion of his presentation he requested to stay for the next session and his presence was helpful in facilitating class discussion.

COMMERCIAL OFFICE OPERATIONS. The next session covered what to do and how to do it when working at a commercial office abroad. The Consultant, with support from the senior ATR Trade Specialist and the ECS Head of African Department, led the session. Drawing on his long-term experience with the U.S. Commercial Service, the Consultant gave a blow-by-blow account of a typical work day as head of a commercial office (e.g., early arrival at the office, often before official opening, to begin daily tasks; reviewing and responding to e-mail, faxes, and regular mail; directing and supervising staff; preparing for and attending meetings with the Chief of Mission (Ambassador) and other members of the embassy Country Team; handling phone calls; meeting with business contacts; preparing for trade missions, exhibitions; and providing general trade facilitation services to business clients). Trainees were advised to *plan, organize, staff, coordinate, report, and budget*—a set of management activities summed up in the acronym POSCORB. The session went well and Mr. Sadek asked if he could attend further sessions scheduled for the second week of training. His request was welcomed as he added much to discussions. Having senior ECS managers participate in all sessions was not an intended goal of the training, but that participation, especially at sessions focusing on the work of the commercial attaché, proved most helpful.

TRADE POLICY. The next session returned to policy matters, particularly Egypt's partnership with the EU. Mr. Tarek Abbas, Minister Plenipotentiary, and Head of the EU Department, presented an overview of current trade policy activities and initiatives

² During a break, several trainees expressed appreciation for the participation of an ECS Regional Head, especially in that it was a rare opportunity to hear directly from senior staff.

between Egypt and the European Community. The session provided good background information for junior staff. Mr. Abbas had several junior members of his EU office team deliver portions of the presentation. In fact, one of the junior members of the team is a new attaché the Consultant met during his earlier work with the ECS. This junior member said that he greatly appreciated his earlier meetings with the Consultant, especially the advice and guidance on knowledge sharing and mentoring. It appears that the attaché is thriving under the guidance of the EU Department Head.

FUNCTIONAL RESPONSIBILITIES. Commercial Minister Vishnu Prakash of the Embassy of India delivered an outstanding presentation on the functional responsibilities of a commercial attaché. His discussion complemented the earlier session on the trade function. He admonished trainees to remember to *plan*. He stressed the importance of collecting information and using information technology to full advantage. To be successful, attachés must be computer literate especially in using search engines to gather information for reports; must act quickly to get answers for and to otherwise support clients; and must recognize that “nothing is static” and that competition is getting keener. E-mail is critical, and personal interaction, with a hands-on work ethic, is vital. “Old” mindsets will fail in today’s dynamic commercial environment. In their daily commercial interactions, especially with clients, attachés must be punctual—on time; no excuses. Minister Prakash reminded participants to always follow up, to thank those who help them, and to learn how to say “no,” recognizing that no commercial attaché can be all things to all people. He underscored the importance of follow up (Alpha/Omega Principle) recommending that attachés follow the “Golden Rule of Follow Up” — *Step 1. Meticulous follow up. Step 2. See Step 1.*

Minister Prakash suggested that each attaché prepare a strategic action plan upon arriving at the overseas office. The plan will keep work focused and help monitor progress and evaluate performance. A copy of an actual plan used when the Consultant was a commercial officer was distributed. Minister Prakash concluded by suggesting that some overlap in personnel changes is helpful, especially for incoming officers. The departing attaché should share information and ensure that the newly arrived attaché is well briefed and introduced to contacts. Junior officers should begin outreach as soon as possible when arriving at a new post, beginning with calls on counterparts at other embassies.

Day 4—Sunday, January 16, 2005

The day’s first two sessions introduced two public sector authorities, the General Authority for Investment & Free Zones (GAFI) and the Export Credit Guarantee Company of Egypt (ECGE). Both speakers were excellent and delivered their remarks in English, providing trainees a chance to use English language skills. The GAFI representative informed the class that the day before he had attended an investment conference in France conducted entirely in English.

GENERAL AUTHORITY FOR INVESTMENT & FREE ZONES. When it comes to attracting investment, the GAFI representative suggested the ECS commercial attaché could be of great help in “selling” Egypt. He urged each class participant to learn as much as possible, as quickly as possible, about GAFI.³ He reiterated the need for a change in mindset among public and private sector managers in order to pursue opportunities for Egypt to move forward with a strategy for export and investment promotion. This will require committed leadership as well as transparency and consistency in purpose. He emphasized that all need to speak frankly and to be quick to admit making a mistake or having a problem. Addressing the issue of information, the GAFI representative emphatically said ECS staff must provide “commercial information” on potential investors as well as information of Egyptian firms wishing to be investment partners. He averred, “information vs. perception” is the challenge.

EXPORT CREDIT GUARANTEE COMPANY OF EGYPT. An expert and engaging presenter and trainer, the ECGE representative took the class through the export process using an elaborate, yet easy-to-follow blackboard matrix covering everything from marketing and promotion to contracting, financing, quality control, transportation, and payment. A former banker with 30 years of experience, he elucidated the export process, observing that many Egyptian businesses, especially new-to-export firms, need to learn about it. As ECS staff become more knowledgeable of the process, they can use this expertise to help the Egyptian business community learn how to export. This will attract new clients and show the private sector that the ECS has a solid corps of expert trade promoters.

PRIVATE SECTOR AND THE EXPORT PROCESS. The CEO of a consultancy group engaged in international trade capitalized on an earlier session dealing with investment to offer a case study of investment in the Egyptian textile and clothing industry. He divided the class into groups representing Asia, the EU, and the United States. Each group spent 15 minutes exploring ideas they might consider if they were from these regions and interested in investing in Egypt and/or were in Egypt looking to export to these regional markets. Each group selected a spokesperson to deliver the group’s findings. The session helped trainees explore the market dynamics of investment and trade promotion, and afforded them a chance to do some teamwork and to hone presentation skills.

REGIONAL TRADE AGREEMENTS. The final session considered regional trade agreements that offer an opportunity for Egypt to take on more leadership in the Middle East. Mr. Mostapha Nofel, Minister Plenipotentiary Commercial, Head of Arab Department, and ECS on the Greater Arab Free Trade Agreement (GAFTA), delivered an incisive and informative presentation.

³ During the discussion following the formal presentation, the Consultant suggested that orientation sessions with GAFI be part of standard operating procedure for ECS staff, especially commercial attachés, who need to schedule consultations with export and investment entities before heading out on and returning from a posting.

Day 5—Monday, January 17, 2005

BUSINESS ASSOCIATIONS AND PROMOTION ACTIVITY. The Executive Director of the American Chamber of Commerce (AMCHAM) discussed the history, activities, and special programs of the chamber, which has been in Egypt for more than 20 years. The chamber has two main goals: (1) promote awareness of business, trade, and investment opportunities in Egypt among U.S. firms and (2) advocate U.S. commercial interests. The first goal involves collecting, preparing, and disseminating information about Egypt, especially about trade opportunities. This information must be timely, accurate, and fresh. In advocating U.S. commercial interests, the chamber faces serious challenges. For example, in spite of recent decrees abolishing the requirement that shipping documents from certain countries be legalized, the change order has not reached customs officials, who continue to require legalized paperwork from U.S. exporters. The mixed signals of such actions deter trade; only through persistent advocacy before officials of the Government of Egypt are such situations corrected. The chamber has effective training activities and is considering offering seminars on export awareness to the Egyptian private sector. In this regard, it may be helpful to explore ways of strengthening collaboration between the chamber and the ECS. There could be a great deal more direct interaction between the two organizations. Special attention should be directed to exploring a strategic partnership whereby ECS staff, especially junior staff, might be able to take some of the courses being offered by the chamber. The Director invited the new attachés to take his business card and to feel free to contact him.⁴

TRADE RELATIONS WITH MAJOR MARKETS. Mr. Bahaa Al-Attar, Minister Plenipotentiary, Commercial, Head of the Americas Department, presented a good overview of trade relations between Egypt and key markets of North and South America. Following Minister Al-Attar were Regional Heads for Europe and Asia. Both gave presentations highlighting commercial relations between Egypt and the regions under their direction.

APPRECIATION FOR ECS ATTACHES. Mr. Moustafa Roushdi, Chairman of MEDI TRADE Co. delivered a rousing, pragmatic message about the tough jobs facing commercial attachés, especially in dealing with bureaucracy and mismanagement. He applauded all training efforts and expressed hope that more courses would be forthcoming. Training and orientation must precede overseas posting. The “best propaganda” for Egypt is the ECS, which must become a model to be respected and followed. Junior staff must “stay the course” and have nothing to lose by asserting themselves and working earnestly to change systems that do not seem to have advanced Egypt’s interests.

⁴ The Consultant met with several participants to reassert the value of cultivating this new contact and asked the Executive Director to do all he might to make sure contact is indeed sustained with the ECS staff.

DAY 6—Tuesday, January 18, 2005

ECS ORGANIZATIONAL ISSUES. Mr. Mohamed Kassem, a former ECS officer and now Chairman of World Trading Company, a leading Egyptian garment exporter expressed several concerns about the ECS. Without clear organizational vision, ECS operates in a debilitating crisis mode. It needs operational guidelines and standard operating procedures that define what ECS officers must know and how they must carry out operational tasks. Without such guidelines and standards, the ECS will continue to drift and not live up to its potential. For example, attachés must be able to interpret and understand the nuances of any given marketplace. At present, experience with ECS offices abroad is mixed and needs to be made consistent in quality and type of services. ECS staff need to hone their communication, presentation, language (especially English), and computer skills. Unfortunately, not enough ECS staff have the coaching and mentoring skills necessary to develop these skills among junior staff.

MARKETING BY WALKING AROUND. Kevin Brennan, Consultant and formerly with the U.S. Commercial Service, explained why commercial attachés must be very active and provide prompt service to Egyptian business clients. Attachés must do the homework necessary to ensure they know as much about the clients' product as possible, and should expect to spend no more than two thirds of the working day in the office, with the rest spent making new contacts and nurturing existing ones. Such "marketing by walking around" means getting out of the office to meet new customers and potential partners for clients. Mr. Brennan informed trainees about his work with ECS management, especially his work with senior staff to improve operational efficiency. He noted that the ECS was indeed an organization in transition and suggested that all staff work together to improve the organization and to celebrate the success that will then be achieved. Over the next few weeks, Mr. Brennan may ask some of the participants for help, advice, and guidance as he collaborates with the ECS.

CERTIFICATES. The program closed with the presentation of certificates of course completion. ATR Chief of Party Dr. Buehrer, Consultant and Course Facilitator, Mr. Weaver, and ATR Senior Trade Specialist Mr. Abdul Wahab Heikal, delivered the closing remarks.

3. Conclusions and Recommendations

The launch of the training program was an inspiring success, reaching every primary and secondary goal. Strong participation by trainees and other participants stimulated dialogue that will strengthen the will of the public and private sectors to work together in promoting Egypt's trade and investment agenda. One presenter noted that the program offered "just the right mix" of public and private sector representatives. The program introduced new commercial attachés to the nature of commercial work and made ample use of experts who shared their firsthand experience in and knowledge of trade and investment promotion. As an orientation, it familiarized trainees with concepts and competencies vital to the ECS mission. We expect that future training will focus more closely on core competencies introduced in this orientation session.

A substantial amount of what was discussed in program presentations was repeated in independent discussions led by experts, reinforcing key concepts and practices. The participation of the junior ECS staff was outstanding. Every trainee was prompt and committed throughout the program. Attendance by Ahmed Zaki, Ahmed Shawky, and Yasser Moustafa, three commercial attachés who have held posts in Germany, the Netherlands, and Japan, respectively, was helpful. They frequently shared anecdotes with the junior staff to corroborate and expound on points made by the expert presenters. Two junior attachés, Mahitab Abou Neima and Marwa Abul Sadat, were very active, asking questions and sharing experiences. Attendance by senior ECS officers was high. Several not only made presentations, but also joined in other sessions. The junior staff much appreciated their presence and the rare opportunity to hear from senior managers.

The successful launch of program confirms earlier indications that such a program is vital to improving the operational effectiveness of the ECS, especially training operations. Several important lessons were learned. First, the ECS, working closely with ATR staff, effectively and efficiently organized and delivered a very good training event. Second, junior staff needed training to be aware of what commercial attaché work involves. Third, by involving the public and private sector, the program helped to build a strategic coalition and lent credibility to the training effort. Finally, training must be part of a sustained process. Following are recommendations to improve upon this first orientation program for junior officers.

General Course Recommendations

PARTICIPATION OF SENIOR OFFICIALS

The participation of senior ECS officials added a positive dimension to the group dynamic, especially when they spoke directly to junior officers about the duties, responsibilities, and activities of commercial attachés. In this initial round of training, several senior ECS Geographical Department Heads focused on geographical trading pacts between Egypt and other nations. Future orientation training should retain this focus, but could also involve more exploration of senior managers' attitudes, opinions, plans, and expectations for ECS operational effectiveness. Senior managers need to elaborate on these themes, embracing the utility and value of keeping junior staff aware of and informed about organizational changes. Doing so will help ensure that everyone understands and embraces the organization's values and mission. Further, this kind of open sharing is important to building and maintaining esprit de corps – the organization's morale, trust, and commitment to excellence.

- **Recommendation.** Continue including senior ECS staff in training. But, in addition to having them inform junior staff on trading pacts and matters directly relevant to the skill sets needed for commercial attachés, expand discussion to other important areas such as organizational plans, changes and expectations, career development and assignments, performance evaluation criteria. All levels of the organization need to be kept informed on such matters.

INSTRUCTIONAL METHODS

While most instruction was delivered in lectures and discussions, future events might well include case studies, role playing, and reading lists. Supplemental readings can be required (read before a class), recommended (read if possible before a class), and referential (read at leisure). Speakers should also be encouraged, to the maximum extent possible, to provide handouts that complement their presentations.

- **Recommendation.** Include more exercises, role playing, case studies and reading lists. Consider establishing a Trade Information & Management (TIM) library to house current and historical texts (hardcopy and electronic) on trade promotion and other competencies required for successful work as an ECS officer and manager (e.g., marketing, trade promotion, commercial correspondence, strategic planning, management – theory and style). TIM content would be expanded as needed and used by all ECS staff. Many reference readings would be available in the library.

MFA PARTICIPATION

In the first round of orientation training, junior attachés met a distinguished MFA representative, Ambassador Dr. Sallamah Shaker. It was timely and appropriate for all the participants to hear directly from an official who has served as an ambassador. The ECS junior staff became familiar with the Country Team concept, how they will contribute to

the success of Egypt's diplomatic missions, and that ambassadors, as Chiefs of Mission, are more and more concerned with and involved in commercial diplomacy (trade and investment). These functions are becoming the focus of political relations worldwide. Thus, it will be vital to sustain the contact between ECS and the MFA to ensure future orientation training includes MFA representation, senior as well as junior/mid-level diplomats. The aim is to develop, strengthen, and maintain a collegial approach to diplomatic services carried out by MFA and MFTI/ECS staffs.

- **Recommendation.** Expand cooperation with MFA to include more ambassadors and heads of sections (e.g., Economic, Political, and Information). Consider ways to have junior and mid-level MFA officers participate in the program; participation of other ministries, such as the Ministry of Tourism, might also be helpful. A significant amount of Egypt's trade earnings come from tourism. By working more closely with that Ministry, the ECS could assist Ministry of Tourism efforts around the world.

SITE VISITS

The need to maximize course delivery in six days did not permit changing the training site. Trainees were instructed daily at the same facility. For future events, it may be helpful to visit offices of key official and public sector helpmates. For example, ECS might consider having trainees visit the MFA, other related ministries, or key business organizations, such as the American Chamber of Commerce and the EBA. Seeing the facilities of these organizations and meeting their staff members could lay the groundwork for team building and strategic alliances while giving trainees direct experience in networking and gathering information.

- **Recommendation.** Organize, as appropriate, field visits for junior officers. Such visits will enable junior officers to see firsthand the organizations that will be their key partners in commercial work, will strengthen collaborative relations between entities that promote trade and investment, and will provide win-win opportunities for all concerned.

TRADING PARTNER PARTICIPATION

A representative from two of Egypt's major trading partners, the United States and India, participated in the training. They discussed the functions of their commercial promotion services, described the tools of trade promotion, and provided tips on commercial promotion.

- **Recommendation.** In future training, ECS should consider including representatives from other countries (e.g., Turkey, France, Germany, the UK). Doing so will broaden junior staff's knowledge of the trade promotion activities of Egypt's global trading partners. Hearing from the Chinese, Japanese, and other active Asian commercial operations could also prove enlightening.

PRIVATE SECTOR PARTICIPATION

The first round of training included private sector representatives as speakers and facilitators. Future training should include more representatives from the private sector, including representatives from the operational levels of private enterprise (e.g., marketing managers, information technology managers, customer relations managers) who can provide details that Chairmen and CEOs sometimes cannot.

- **Recommendation.** Include junior and mid-level operatives of private enterprises in future training to introduce junior attachés to more individuals in the private sector, cultivate mutual appreciation, and build the bridges necessary to meet shared goals for trade and investment. To help identify prospects for future involvement in ECS training for junior staff, see Appendix C.

EXPERT PARTICIPATION

The design and delivery of the first training course was facilitated by expert guidance of former officials of the U.S. Commercial Service. ECS should consider engaging these experts in the design and/or conduct of future orientation and training. In addition to experts already involved, it may be possible to engage other former officials of the U.S. Commercial Service.

- **Recommendation.** Consider expanding the pool of expert guidance and using former U.S. Commercial Service officials to help recommend, design, and implement training. Former trade officials of other national export promotion services might also be able to provide training guidance. Other private sector vendors specializing in core competencies for trade and investment promotion could also be tapped.

LANGUAGE SKILLS

One aim of training is to provide a forum where new officers can use and polish their English language skills, since English is the universally accepted language of international business. Good interpreters were available during the training program, but were not always necessary because nearly every speaker was fluent in English.

- **Recommendation.** Continue encouraging speakers and participants to use English. Doing so will dramatically improve the communication and presentation skills of ECS commercial attachés and will make them much more efficient and effective representatives regardless of the location of their assignments.

Process and Logistics Recommendations

The venue for the course presentation was good. Support by the staff of the Ministry of Foreign Trade's Foreign Trade Training Center (FTTC), especially the Executive Director and his training management team, was exceptional. Their support also enabled them to observe the training content and process, a secondary goal of the program for ECS, ATR, and FTTC staff. The FTTC was helpful in arranging and facilitating technical support for

data show presentations and other visual aids. Interpreter facilities were available and worked well. Yet, as suggested above, it is hoped that interpreter services will be minimal, or simply not necessary for most future events. One recommendation is to ensure that name cards are placed on the classroom table to facilitate name recognition by presenters and trainers. The bio-data profiles requested by the Consultant were very helpful, but would have been more so had they been presented before the program rather than the first day of training.

Recommendations Based on Consultant Observations

ROUTINE CONSULTATIONS FOR ECS STAFF – PRE AND POST DEPARTURE AND RETURN TO HEADQUARTERS

ECS should consider having outgoing and returning attachés brief public and private sector entities engaged in export trade and investment as a matter of routine. At present, such consultation between ECS staff and other trade-related entities is haphazard. Consultations that do occur are self-initiated. A standard operating procedure is required to make such consultations routine.

ENHANCE ECS TRAINING OFFICE

Staffing and organizational responsibility in the ECS training office may need review, reorganization, and additional staff. Turnover in the Director position may be too fast, eroding continuity in purpose for such a vital function. It is recommended that either the Director of the office or the Deputy be assigned for a period long enough to ensure proper and sustained program planning and implementation. Further, officers must have a strong commitment to training and be experienced human resource managers. In discussing training with several junior attachés, the Consultant noted that Marwa Abul Sadat appeared to have a very keen interest in being part of the training office staff. At present, she is apparently part of a technical group in the ECS.

MOVE QUICKLY TO PREVENT ECS DEFECTIONS – LOSS OF EXCELLENT TALENT

Staff retention needs to be a top priority for ECS; otherwise ECS may very well lose some exceptional talent. Many junior staff have worked successfully in the private sector, and most want to be motivated, energetic, productive, helpful and successful public servants. Yet, frustration with overwhelming, unresponsive, and uncommunicative bureaucracy may prompt some to re-consider their career prospects. The continuing challenge to prevent such loss must be met with courage and conviction to change and to change quickly. Some senior ECS managers may be required to make added sacrifices, such as staying on at the ministry to help direct needed structural changes rather than moving on to overseas postings. The next five years will be critical in training junior staff and establishing systems that will make the ECS effective in the highly competitive field of trade and investment promotion.

Recommendations for Additional Training

On the basis of the initial training event, we recommend training in the following subjects to enhance the operational effectiveness of the ECS and provide staff with skills and knowledge essential to their becoming experts in commercial trade and investment promotion.

MARKET RESEARCH AND DEVELOPMENT OF INFORMATION PRODUCTS

Exporting businesses need market research and other timely reporting of commercial insights. Some junior staff may be familiar with preparations for market research, but most have not had in-depth instruction on market and industry analysis. To ensure that all staff are qualified and able to prepare and analyze market research data, a training module in the subject is indicated. Staff will learn how to conduct a good market study, including interviewing, preparing questionnaires, and conducting desk research. *Suggested course length: 4-5 days.*

COMMUNICATION AND PRESENTATION

Every ECS officer needs to be a prepared and agile communicator. The ability to persuade and convince others can be learned. Commercial attachés spend a great deal of time building contacts and striking up strategic alliances, and good communication and presentation skills are necessary for doing this effectively and efficiently. Successful attachés are also good public speakers—briefing clients and trade delegations, participating in business conferences and as members of embassy Country Teams. English language skills should form a large part of communication training. The FTTC's current course, "Presentation Skills" is an excellent basis for expanded training for the ECS commercial attaché. *Suggested course length: 3-5 days.*

BUILDING AND MANAGING CONTACTS

The foundation of successful trade and investment promotion is contacts. Complementing the training module on communication, this module will teach junior staff how to make solid contacts and how to use contacts in becoming effective trade counselors for Egyptian business interests. The course will explain, in depth, the importance and techniques of outreach as a process for striking up strategic alliances with other business interested organizations that can be used to advance the ECS strategic mandate. *Suggested course length: 3 days.*

CUSTOMER SERVICE

One of the newest entrants to the airline business pledges, "Service is our Success." Outstanding customer service is the basis for the success of many businesses and organizations. As a service organization supporting and assisting the Egyptian business community, the ECS must be consistently responsive to its clients. Building the reputation

of the organization will require clients viewing ECS as a credible, responsive—even super-responsive—organization. In the fast-paced world of global business, delay is the stamp of doom. To provide good service, whether it be a telephone call or meeting to discuss the business environment’s opportunities (and pitfalls), the commercial attaché must be armed with solid, fact-based information that can be quickly disseminated. Customer service is also internal, based on the attaché’s inclination to work effectively and collegially with other staff, including those in other ministries. The course could also include a discussion of Total Quality Management. *Suggested course length: 2– 3 days.*

BUILDING, USING, AND EMPOWERING TEAMS

No one person knows all things; organizations can be more effective when they use all the resources at their disposal. Combining the talents of individuals in groups provides synergies and opportunities unimaginable in isolation. Teamwork builds esprit de corps and “ownership.” In sum, when people have an active part in a process they naturally feel needed, appreciated, and respected as contributors to the success of an activity. One of the most important benefits of teamwork is that it empowers all team members to be involved in the processes of change. *Suggested course length: 2 – 3 days.*

MANAGEMENT LEADERSHIP FOR THE FUTURE: BOSS OR LEADER

Effecting change often requires changing management styles and embracing new concepts. Course work in leadership concepts will open ECS staff, particularly at the middle and senior levels, to new ways of thinking and acting. The target audience for this training should be mid-grade ECS staff. Senior staff should also be encouraged to attend, especially those who have several years more of service before retirement. *Suggested course length: 3– 5 days.*

STRATEGIC PLANNING

Dynamic organizations continuously review operations to be able to adjust to emerging challenges and opportunities. Every manager needs to understand the POSCORB (planning, organizing, staffing, coordinating, reporting, and budgeting) process. Half measures are not sufficient. As the ECS begins to determine precisely how to use its valued but finite resources, training in thinking and planning strategically will become more urgent. Implementing this training must not be delayed. Training might include concepts for determining resource allocation (i.e., staff, budget) to meet priority trade and investment opportunities around the world. *Suggested course length: 1 week.*

AREA STUDIES

ECS officers assigned abroad need exposure to local language, culture, and geography to maximize prospects for success. At present, they gain such exposure by teaching themselves or through experience. Needs could be better met by making country-specific regional studies an integral part of the training curriculum. A key MFTI ministerial

partner and helpmate, such as the Ministry of Foreign Affairs, may already offer such training at the Diplomatic Institute. If the MFA has specific program of regional studies, the ECS could look to use that program or take it as a model for its own training. *Suggested course duration: 1 week.*

**Training and
Orientation Program
for Junior staff of
Egyptian Commercial
Service**
ECS

Presented by

**ATR, a joint USAID - Ministry of Foreign Trade and
Industry Project**

**Foreign Trade Training Centre at the fair ground - General Organization for
International Exhibitions and Fairs / Nasr City - Entrance no.6**

11-18 January 2005, Cairo - Egypt

Agenda

DAY 1	January 11, 2005
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Opening. Elaboration on plans, priorities of ECS and objectives of the program.

- Mr. E. Mohamed Hefny, First Under-Secretary of State, Head of ECS

09:00 – 09:20

- Mr. Tarek Abbas, Minister Plenipotentiary, Commercial, Head of EU Department, announce opening in case Mr. Hefny is outside the country.

Highlights on the Program

- Dr. Timothy Buehrer, Chief of Party, Assistance for Trade Reform Project (ATR)
- Mr. Eric Weaver, Consultant, Former US Commercial Service
- Mr. Abdel Wahab Heikal Senior Trade Specialist (ATR)

09:20 – 09:30

09:30 – 09:50

09:50 – 10:00

10:00 – 10:15	<i>Break</i>
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10:15 – 11:30

Strategy of the Ministry of Foreign Trade and Industry to promote Egyptian Exports

Mr. Nagui El Fayoumy, Senior Advisor to the Minister of Foreign Trade and Industry

11:30 - 12:00

Manuals for ECS and the need for Information Technology to support strategic mission
ECS

Mr. Ali Al Hariry, Commercial Counsellor, Head of Information and Export Services
Department, ECS

12:00 - 13:15 *Lunch Break*

*Creating an effective Embassy team: Role of Diplomatic mission sections. Working
living in an Embassy Environment*

Ambassador Dr. Sallamah Shaker, Former Egyptian Ambassador to Canada. Assistant
Minister of Foreign Affairs

13:15 - 14:15

14:15 - 14:30 *Break*

Private Sector vision, priorities to promote exports and expectations from ECS

14:30 - 15:30

Mrs. Naela Allouba, Chairman of NAHAL Co.
Chairman of Export Committee, Egyptian Businessmen Association (EBA)

DAY 2

January 12, 2005

Open discussion led by a distinguished speaker from the business community. He may select some issues from the indicative list attached to this program

09:00 – 10:00

Mr. Helmy Abduleash chairman of SEKEM Group

10:00 – 10:15

Break

Presentation on functional areas of a commercial representative to promote foreign trade and investments

10:15 – 12:00

Mr. Eric Weaver, Consultant, US Commercial Service

12:00 – 13:15

Lunch

Presentation on functional areas of a commercial representative in foreign office (followed by discussion)

Indicative List:

- **Business counselling / Advocacy**
- **Things to do: (Data base .. approaching officials and business communities ... etc)**
- **Market research**
- **Commodity research**
- **Modern and traditional tools for export promotion**
- **Settlement of trade disputes**
- **Role of commercial representative in support of trade negotiation and trade liberalization**
- **Any other functions**
-

Mr. James Joy, Head of Commercial Section – US Embassy

13:15 – 15:30

Ms. Hend El Sineity, Commercial Specialist, Commercial Section - US Embassy

Ms. Jihan Labib, Commercial Specialist, Commercial Section, US Embassy

DAY 3

January 13, 2005

Egypt - COMESA countries Trade Agreement ... objectives and status

Mr. Mohamed Sadek, Minister Plenipotentiary Commercial, Head of Africa
Department

09:00 - 10:00

10:00 - 10:15

Break

*Presentation on functional areas of a commercial representative in foreign office
(followed by discussion)*

Mr. Eric Weaver, Consultant, US Commercial Service

10:15 - 12:00

12:00 - 13:15

Lunch

Egypt - EU Partnership Agreement. Objectives and Objectives

13:15 - 14:15

Mr. Tarek Abbas, Minister Plenipotentiary, Commercial Head of EU Department
(ECS)

14:15 - 14:30

Break

*Presentation on functional areas of a commercial representative in foreign office
(Followed by discussion)*

14:30 - 15:30

Mr. Barakash, Head of Commercial Section, Embassy of India



DAY 4	January 16, 2005
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Presentation on investing in Egypt. Guidelines to commercial representatives to promote foreign investments

09:00 - 10:00

Dr. Amr El Sharnouby, vice president, General Authority for Investments and Free

10:00 - 10:15	Break
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Export Guarantees as a tool for export promotion:

10:15 - 12:00

Mr. Omar El Shennawy, General Director of the Egyptian Co. for Export Guarantees

12:00 - 13:15	Lunch
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Open discussion led by a distinguished speaker from the business community

He may select some issues from the indicative list attached to this program.

Mr. Hani El Habiby, Chief of the Executive Board of Sahara Co.

13:15 - 14:15

14:15 - 14:30	Break
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Egypt - Greater Arab Free Trade Agreement (GAFTA) objectives and status

14:30 - 15:30

Mr. Mostapha Nofel, Minister Plenipotentiary Commercial.

Head of Arab Department, ECS

DAY 5

January 17, 2005

*Presentation on how commercial representative officers can make use of Am-Cham
(there will be access to Am-cham Website and portray what Am-cham has to offer
new Egyptian Commercial Attaché*

Mr. Hesham Fahmy, General Director of Am-Cham Egypt

09:00 – 10:15

10:15 – 10:30

Break

Egypt Trade Relation With Geographical Areas

- Mr. Bahaa Al-Attar, Minister Plenipotentiary, Commercial, Head of Americas Department.
- Mr. Nasser Khalil, Minister Plenipotentiary, Commercial, Head of European Affairs Department.
- Mr. Afifi Selim, Minister Plenipotentiary, Commercial, Head of Asian Department

10:30 – 12:00

12:00 – 13:15

Lunch

Egyptian Foreign Trade.

Guidelines to commercial representatives to promote foreign trade.

Mr. Mostapha Roshdy, Chairman of Medi – Trade

13:15 – 15:30

DAY 6

January 18, 2005

Guidelines to Junior Trade Representatives

09:00 - 10:15

Mr. Mohamed Kassem, Chairman of the International Co. for Trade, Vice Chairman
Chamber of Textile Industries,

Distinguished Former Commercial Representative

10:15 - 10:30

Break

Open discussion led by a distinguished speaker from the business community.

He may select some issues from the indicative list attached to this program.

Mr. Amin Abaza, Chairman of El Nasr Co. for Garments

10:30 - 12:00

12:00 - 13:15

Lunch

Presentation on functional areas of a commercial representative in foreign countries (followed by discussion)

Indicative issues:

- **Business counselling / Advocacy**
- **Things to do: (Data base .. approaching officials and business communities ... etc)**
- **Market research**
- **Commodity research**
- **Modern and traditional tools for export promotion**
- **Settlement of trade disputes**
- **Role of commercial representative to support trade negotiation and trade liberalization**
- **Any other functions**

Mr. Kevin Brennan

Consultant, Former US Commercial Service

13:15 – 14:15

14:15 – 14:30

Break

Open discussion led by a distinguished speaker from the business community. He may select some issues from the indicative list attached to this program

14:30 – 15:30

Mr. Shafik Gabr, Chairman of ARTOC group

Chairman of Egypt Economic Forum

15:30 – 16:00

Closing Session & remarks

Mr. Eric Weaver, Consultant, US Commercial Service

- 1- Sessions of the program will be at Foreign Trade Training center at the fair ground – General organization for international exhibitions and fairs / Nasr city – Entrance no.6
- 2- Presentations & discussion will be in English, however for Egyptian speakers this is optional and they may use Arabic language if they find it more appropriate.
- 3- There will be a celebration party attended by H. E. Eng. Rachid Mohamed Rachid Minister of Foreign Trade and Industry and all speakers ... participants ...

Date will be announced during the program

Attachment

For speakers from business community Issues they select to address in the program

- 1- Guidelines to commercial representatives in foreign countries.
- 2- Priorities of Egyptian business sector.
- 3- Expectations of Egyptian business sector from commercial representatives.
- 4- Building relation with business communities in foreign countries. Possibility to use them as mentors.
- 5- Identifying and selecting partners.
- 6- Successful Trade promotion activities.
- 7- Business ethics.
- 8- Any other issues they may prefer to address.

THE EGYPTIAN COMMERCIAL SERVICE:

CONSIDERATIONS FOR IMPROVING OPERATIONAL EFFECTIVENESS

Submitted by Eric R. Weaver

Associate, Nathan Associates Inc.

Egyptian Assistance for Trade Reform (ATR) Project

Nathan Project No. B642-827

November 12, 2003

At

Cairo, Egypt

EXECUTIVE SUMMARY

This paper will discuss findings, observations, conclusions and recommendations developed after meeting on several occasions with senior, mid-level and junior staff at the Egyptian Commercial Service of the Ministry of Foreign Trade. The purpose of my visit and meetings with the staff of the Egyptian Commercial Service (ECS) was to help support the Assistance for Trade Reform (ATR) project, a USAID-funded activity being implemented by the Nathan-MSI group. Specifically, my task was to advise the ECS on ways to upgrade their commercial representation services, considering some special circumstances and best practices of successful commercial services such as the U.S. Commercial Service.

As a result of my meetings with ECS staff, the following emerged as critical issues of discussion which I present here and include recommendations, as warranted, for further action and program implementation. Executing these suggestions will, without doubt, serve to significantly enhance the ECS organizational mandate to promote Egypt's export growth through improved operation of the ECS.

It is important to note that my initial observations and subsequent in-depth discussions with ECS staff indicate that many current ECS operating modalities are not inconsistent with trade promotion efforts practiced by other international government promotion schemes. This is a very positive finding and lends great promise that the new and spirited leadership of the ECS can take the organization to new and improved levels of performance. While a strong sense of urgency was detected in practically every meeting with ECS staff, I counseled the key importance of adhering closely to the sage managerial advice of "progress, not perfection." Interestingly, as I discussed, with the ECS training director and his young staff, the Japanese concept of "Kaizen" i.e. 1% improvement in work performance each day, I was happily amazed that they had already used this working oriental philosophy as a benchmark for shaping their new training

program proposal.

As a basic point of departure in this review, my observations, findings and recommendations are guided by the expressed intentions of the Director of ECS operations to shape and implement, as expediently possible, action plans to:

- Improved performance of the organization

- Enhanced collaboration and effective linkages with other GOE ministerial departments
- Enhanced cooperation with other multiplier associations engaged in export promotion

Finally, as an adjunct to observations drawn from discussions with ECS staff, I held several meetings with program directors of local private sector entities. Most of these entities can be, and should be viewed as potential primary targets for shaping multiplier relations which can help the ECS advance its goals and objectives.

I: ISSUES DISCUSSION

As part of this consultancy, ECS requested that I prepare a series of specific recommendations for early wins that could be considered by ECS. These include the following:

A. Contacts with the United States Foreign Commercial Service

Issue: As with every new beginning, new initiative, especially those aimed at re-inventing present modalities and establishing dynamic systems to meet the challenges of the future, which can arguably be the real today, it can be very useful to actively seek out collaboration and help from outside sources and institutions. The ECS, in working with ATR, is taking this first step by having this specific consultancy to look at practices and procedures of one successful commercial service i.e. the U.S. Commercial Service. In an effort to further examine the best trade promotion practices, it is recommended that the ECS undertake outreach to commercial representations of its leading trading partners. An initial first action, early-win type activity will be senior level ECS contact with commercial representatives at diplomatic missions resident in Cairo such as the U.S. Embassy, the embassies of France, UK and Germany. It is clear and understandable that no one trade promotion service is “all things to all people.” No should it be. And, it is even clearer that some services will be doing some things better than others, perhaps for different reasons. One thing is perfectly clear and that is the ECS can and ought to take advantage of looking at as many commercial trade promotion models as possible, selecting those best practice models from each that best fit ECS goals and objectives.

For example, a primary goal and objective of the U.S. Commercial Service is to measure the number of export “success actions” it is able to generate through the provision of an established array of business facilitation services to U.S. businesses. A “success action” is made when a verifiable dollar export is made. So, the actions are made and the dollars are counted and it is easy to know how market success is being achieved. This kind of measurement is a top priority for the U.S. Commercial Service. On the other hand, the number of market research reports prepared by commercial staffs and disseminated to industry end-users can be used as a primary tool for trade promotion. The best alternative to choosing the right mix of export promotion services will ultimately be determined by management. In the case of the U.S. Commercial service, using the “export action” criteria has been immediately beneficial in understanding market trends and has been effectively used to help best decide allocation of organization resources such as staff and dollars. Further, while “export actions” form a key baseline for the U.S. Commercial

Service, it still provides a great deal of strong market research, especially short market insight reports which provide U.S. business readers, on a regular basis, short, concise “snap-shot” reporting on what is happening in any given market.

In the early days of 1990, the U.S. Commercial Service conducted a major Strategic Review of its world-wide organization. During this exercise, hundreds of U.S. companies of all sizes were contacted and asked what the U.S. government could best provide them. The response was a resounding call for timely international trade and market information. So, by canvassing the end-user, the U.S. Commercial Service has been able to determine exactly what services best fit the needs of U.S. business. Conversations with senior ECS managers indicate that the ECS has already, in a similar effort, taken action to maintain strong and active collaboration with leading Egyptian private sector groups such as the Egyptian Businessmen’s Association.

As a part of activity aimed at facilitating prospects for contact between the ECS and senior representatives of the U.S. Commercial Service at the U.S. Embassy in Cairo, I met with Dr. James Joy, Commercial Counselor at the U.S. Embassy in Cairo to discuss collaboration with the ECS. Mr. Joy is prepared to meet ECS representatives in Cairo. This meeting is expected to be a “get-acquainted” session with the prospect of defining further areas for mutual cooperation and collaboration.

Action: ECS Director is encouraged to meet with U.S. Commercial Service Counselor Dr. James Joy. The purpose of the meeting will be to explain new initiatives being undertaken by the ECS and to explore ways which the CS might collaborate in these

initiatives. This meeting will serve to build on actions already undertaken by the U.S. Commercial Service in collaboration with the GOE, specifically U.S. Commercial Service participation at training programs conducted by the Ministry of Foreign Affairs’ Diplomatic Institute.

Timing for Action: Immediate, within next 30 days.

B. Establishing a Mentoring Program within ECS

Issue: The real strength of the ECS is its people...investing in human capital is essential for sustained growth and performance improvement. To promote performance improvement opportunity for staff, especially new entrants, establishment of a mentoring program is recommended. The U.S. Commercial Service has in place, a program which, while not institutionalized, is operating on a sustained and well-accepted basis. Under this program, senior Commercial Service officers are encouraged by management to volunteer to serve as mentors to junior staff. The purpose of mentor is to provide good, orderly direction to junior staff, helping them to successfully confront challenges that will invariably arise during the early days of their careers as commercial diplomats. The mentor, a seasoned officer will share with the junior officer about the myriad of factors, including career assignment strategies, best practice concepts, etc., generally those special insights that only come from experience and training. The mentoring process, when effectively presented and maintained with vigor, interest, dedication and enthusiasm, will greatly serve to bolster the morale, performance and effectiveness of the entire ECS organization.

In conversations with ECS staff, including sessions where both senior and mid-level officers were present, the consensus was unanimous that a form of mentoring will be helpful. However, the general agreement was that, if instituted, the program should be on a voluntary basis, with junior staff encouraged to seek out a more senior officer and ask that he/she serve as a mentor. Mentoring programs are being used, with great success, by many forward thinking organizations. One prime example is General Electric, a world-renown enterprise. It must be emphasized, however, that a mentoring program is not a cure for performance problems, the key to career advancement, or a substitute for career training. (Training is essential and will be discussed later in this report.) The insights a mentor can provide may help identify opportunities and problem areas early in the career of an ECS officer.

Action: The ECS Director is recommended to order the establishment, on a voluntary basis, a mentor program. While voluntary, the Director's instruction will be to urge every member of the senior staff to embrace the concept and make it a key part of their individual work plans. The value of this action will be immediate and will have lasting, long-term benefits to the organization.

Timing for Action: Immediate.

C. Training of Junior Officers

Issue: A sequential approach to training for ECS staff is basic for sustained growth and career performance development. A plan that incorporates on-going training at all levels is required, including entry level, basic training, mid-level and senior-level. The ECS training plan for 2004 developed by the ECS training department presents a good start. The task at hand remains to identify a “core curriculum” for each training level. While all the series of topics elaborated by the current ECS plan are useful, there is just too many listed for getting a focused practical program underway. Keeping in touch with the Alpha/Omega principle, ECS needs, with ATR assistance, to establish a series of training activities that will span the time a new entrant begins his/her service right through the time senior officer moves on to retirement. Acting expediently to get moving on this work, the first step suggested will be to design and deliver:

The following elements are suggested as some “core topics” to include in this basic, orientation, get-to-know the organization training.

- Strategic Plan overview and ECS Mission Discussion
- Overview of Egyptian Export History
- Working and Living Abroad in an Embassy Environment
- Working Partnership Across Cultures: Diversity Management
- Operations and Administration Management
- Trade Event Management
- Personnel Operations
- Performance Management

Again, these are suggested topics. Additional topics, as determined by ECS management may be added. However, these are the “core” topics which should be included as a start.

This kind of initial training is designed to provide the basic “framework”, the “foundation” for getting started. And, for convenience, it is the kind of “early win” that can effectively be started in-house, i.e. using the staff resources already in place. Every single one of the abovementioned “core” topics can be presented by ECS staff managers, especially those officers already having experience working both at ECS headquarters and overseas. The role of the ECS Regional Directors will be key and vital.

This initial training, in the process of using in-house resources and providing needed basic information to all new officers, will serve to support the collaboration and linkage mandate of the ECS Director. For example, on course segments dealing with Export

History, Strategic Plan, Diversity Management and Working and Living Abroad in an Embassy Environment, it will be of great advantage to invite participation of other MOT operating units (WTO, etc.) as well as other GOE ministries such as the Ministry of Foreign Affairs.

At our planning session with senior ECS management, the ECS Director counseled that ATR assistance “look at weak points” in the ECS operation. As mentioned at the beginning of this report, much of the operative side of the ECS appears to be in place and in good shape. Now, is the time to move forward guided by the ECS acceptance not to seek and copy any particular model used by other commercial services, but rather to review, select and modify as might be desired, those which fit the needs and interests of the ECS.

Although staff training has been an element of ECS activity in the past, it has been on an ad hoc basis rather than having a systemic recurring approach. And, it is worth noting here that the new ECS Training unit was created only two months ago. Nonetheless, there is an obvious sense of strong commitment to mission espoused by the acting Training Director and the members of his staff.

Action: ECS Director of Training will elaborate core curriculum for a Basic Junior Officer Training Course which will, at minimum, include the topics outlined above. In the process of designing this offering which will become a standard part of the ECS training program, the ECS Director of Training will work closely with other ECS managers, especially the Regional Directors, the appropriate personnel of other MOT offices as well as with other trade related GOE ministries. In the process, it is vital that close and constant contact and collaboration with the Training Directors at other related GOE ministries be maintained by the ECS Director of Training.

Timing for Action: Immediate. The initial session will be ready for “roll-out” NLT mid-January 2004. The session should be a one-week, all day event.

D. Offshore Training for ECS Staff

Issue: ECS Training staff inform that current “on-site” training offerings are limited. One major off-shore vendor, CBI, a Netherlands-based training institute, was mentioned

several times as being a valued helpmate to the ECS. CBI has already provided several well-received trainings at the ECS Cairo headquarters. These have been usually one week in length and are currently offered under the auspices of the Ministry of Foreign Affairs. Here again, is an identifiable “early win” opportunity. The ECS is encouraged to continue to use the CBI training offerings and to the maximum extent possible arrange to have the training delivered on-shore. Further, ECS can look for collaborative opportunity to work with Ministry of Foreign Affairs on this agenda and/or proceed directly to collaborate with CBI directly. The choice in this regard will be guided by strategic managerial thinking aimed at maximizing relationship marketing prospects.

It was discovered that a few off-shore trainings for ECS staff have been accomplished using OMECH and SME in Greece. And, some training has been completed in China, Spain and Italy. Notably, the training held in Spain was not considered as valuable as that achieved in other locals.

A primary consideration being discussed at this time is the efficacy of using off-shore training provided by a U.S. vendor. From my experience, it is not so important where the training expertise is found or delivered, but rather the quality of the training provided. If the decision to use U.S. vendors is the choice made, it is imperative to build, as soon as possible, an inventory of prospective training sources. A few that come immediately to mind include:

- Thunderbird, The American Graduate School of International Management
- The American Management Association (AMA)
- The University of Massachusetts at Boston
- The American University, Washington, D.C.

For course offerings that fit extremely well with the entire ECS staff at every level, the programs offered by Thunderbird are internationally renowned for excellence. One particular course entitled, “Global Leadership: Managing Cross-Cultural Relationships for Business Results,” would be an ideal “first-start” for ECS participation. This in-depth program provides persons with leadership responsibilities with the leadership interaction skills necessary to develop and cultivate complex cross-cultural relationships in a global setting. Program content includes many of the key topics already included in the ECS Training Plan for 2004. Key topics included in the program are:

- Leadership Development
- Leading Change in an Organization
- Motivation Skills for increased Performance

- Problem Solving Techniques
- Interpersonal and Intercultural Business Challenges in Today's Global Economy
- Concepts and practice for communicating Effectively Across Cultures
- Mediation in Managing Intercultural Relationships

Several Thunderbird courses, including the above mentioned, have been presented by the school at Dubai and London. The ECS proximity to both cities creates an obvious benefit for management consideration.

AMA offers a wide-range of management courses and seminars, including important topics such as Strategic Planning which can serve to advance the ECS key goal to improve staff performance.

Other recommended points of contact might include:

- The GE Learning Center at Florence, Italy
- The American University Cairo

ECS, with the assistance of ATR, is encouraged to begin building immediately, an inventory of consultants and specialists who are capable of assisting ECS develop and implement training goals and objectives. Individuals incorporated in this inventory will be utilized when needed, when institution offerings do not totally meet ECS needs and/or when individual support provides value-added.

Finally, it is significant to note that senior ECS manager and deputy to ECS Director suggested two additional prospects as training venues. They are:

- George Washington University
- Johns Hopkins University, School of Advanced International Studies

Action: ECS, with ATR assistance, will explore prospects for strengthening and building on support already provided by CBI. Additionally, ECS, with ATR assistance, will build both an inventory of institutions and individuals qualified to assist CSR goal to improve ECS organizational performance.

Immediate contacts are suggested with Thunderbird and with the AMA.

Timing for Action: Immediate. Effort must be continuous.

E. Enhanced Training in Area Studies

Issue: For any ECS officer assigned abroad, exposure to the language, culture and geography of the area of assignment is vital to maximizing prospects for success. Currently, no mechanism is in place to help meet this important need. ECS officers either know through individual learning or experience about the world where most will serve and promote their nation. Yet, none of them have had the benefit of tailored “AREA STUDIES” course offerings provided by the ECS. Here again, is an opportunity for an “early win,” looking to establish such specific course material and/or determining if a key MOT ministerial collaborator and helpmate such as the Ministry of Foreign Affairs may already have such training offerings at the Diplomatic Institute. If MOFA has specific regional area studies programs, the ECS must use them. If not, it must create them. They are an essential best practice when it comes to career training and development.

Action: ECS Training Director will begin immediately to design and implement “Area Studies” training modules that will cover the five geographic areas of the world-wide ECS operation. These courses may run for various lengths. A minimum of two weeks is suggested. A maximum of one month is generally sufficient.

To maximize use of scarce resources, it is suggested that these Area Studies programs be designed to be utilized by participants from all GOE entities who are being posted at GOE diplomatic missions abroad.

Course content will focus on the geographic, political, economic, commercial and cultural peculiarities of any given region. Academic as well as general knowledge practitioners will be used to instruct these courses which will be supplemented with specific region related text readings, other available reference materials and class discussion.

ATR support to this effort can be easily started with immediate outreach to elicit USG support. Specifically, contact must be made with The U.S. Department of State, Foreign Affairs Training Center (FATC). FATC has long experience in providing area studies coursework to U.S. foreign affairs agencies and will be an excellent source for advice and guidance on curricula development. Further, FATC has a cadre of academics and regional experts on staff as well as on call for specific program assignments. Some of these experts may be available to support this recommended ECS initiative.

Timing for Action: Immediate.

F. English Language Training

Issue: English is firmly entrenched nearly everywhere as the international language of business, finance, and technology. The implications for business are enormous. It is no longer just the top execs who need to speak English. Everyone in the corporate food chain feels the pressure to learn a common tongue as companies globalize and democratize. The language of business, of trade promotion is English, an industrial tool now as basic as the screwdriver. Countries, businesses, organizations and individuals that fail to achieve a high proficiency in English risk falling behind in the competitive global workplace. The English fluency (only oral observed) at the ECS is good. Yet, it can and must be improved. This is especially true as current ECS staff training does not provide for language instruction, especially for staff being assigned abroad. For example, an officer being sent to France, unlike in some foreign commercial services, is not provided French language training prior to assignment. Normally, the individual will already have acquired knowledge of the language. It is recommended that training in English be established "in-house" to provide ongoing opportunity for staff, particularly those destined for overseas postings, to hone English language skills. Special focus in such training will be on mastering "Business English."

Action: Implement intensive English language courses at the ECS. While officers would not be expected to attend on a full time basis, sessions would be conducted weekly which would permit officers to attend once or twice every week. Frequency can be decided upon by ECS training staff. The key is to start and sustain the training.

Timing for Action: Immediate, within six months.

G. Use of Expert Advisors

Issue: In many instances where organizational change is being implemented, the use of short-term “on-site” experts can be helpful. New ideas, objective in nature and shared by persons with long-term experience in an associated endeavor, can serve to effectively promote the interests, goals and objectives of the organization experiencing change. From my relatively brief interaction with ECS staff, both senior and junior, it is clear that my on-site presence, working closely with them, sharing my experience and knowledge, has been of tremendous help in making concrete moves towards meeting the several goals enunciated by the ECS Director. More work is needed to sustain the effort.

Serious consideration ought to be given to positioning an “on-site” consultant/helpmate who will work on a regular and frequent basis with ECS staff. This person will be a primary point of information for the ECS as it continues to develop and implement its programs. It is suggested that this individual not necessarily be the only one engaged for this activity, but that several consultants be identified to provide the assistance desired. Further, such participations should not be restrictive to one at a time, but rather permit group consultant presence as might be required to best advance the desired goals and objectives of the ECS.

Further, positioning of consultative assistance ought not to be restricted to ECS headquarters in Cairo, but be considered, at least on a pilot basis, to include select ECS representations abroad. While left to the discretion of ECS management, it is suggested that ECS representations at Washington, New York, Paris be among the first considered. Duration of consultant presence will be determined by availabilities of consultant(s) and program needs of ECS/ATR/USAID.

Timing for Action: Immediate. As soon as possible. ECS, with ATR support should begin building inventory of consultant/helpmate prospects immediately.

H. Use of Resource Allocation Matrix Analysis in Strategic Decision Making

Issue: In an era of greater fiscal restraint, the requirement for continuous review of available resources (and their allocation) , both fiscal and human takes on greater importance. The ECS should consider establishing an on-going mechanism to review and measure resource allocations, especially the assignment and positioning of overseas staff, aimed at ensuring to the optimal extent possible, the best opportunity to capitalize on existing market share and to expanding that share.

During discussions with ECS senior staff, it was mentioned that some overseas ECS operations have been “frozen” i.e. closed. Some of these such as Oslo, Norway had regional trade promotion responsibilities for several neighboring markets. The decision to “freeze” Oslo may limit ECS support to future Egyptian export growth in the regional markets affected. To the extent these markets will be impacted in terms of present and future potential export sales relative to export sales in other geographic regions must be carefully assessed. In every decision to open, close or adjust the staffing complement at ECS operations, a Resource Allocation Matrix (RAM) modeling mechanism might be established and in-place to help ensure best managerial decision.

Action: Design and implement RAM model to help in resource allocation analysis.

Timing for Action: Immediate, within six months.

I. Improving Coordination with Egyptian Ambassadors

Issue: The role of Ambassadors world-wide has changed over the years. As the GOE position in the world is linked ever more importantly to its success in competing in international markets, GOE Ambassadors must become more active in commercial diplomacy. GOE Ambassadors must work with ECS staff to ensure ECS activities are an integral part of their Embassy operation. When an Egyptian business needs help with a local Ministry, the Egyptian Ambassador must be there to assist. They must lend their time and prestige to ECS trade events, support local multiplier activities, intercede on behalf of Egyptian bidders for major contracts, and the like. In short, they serve as Senior Commercial Officer at an overseas post.

One special area where Ambassadorial support is really important when it comes to trade promotion is being prepared to use ambassadorial representational funds to help defray

costs involved in hosting receptions that bring business representatives together. Interestingly, one private sector manager interviewed during my visit, stated, “ECS representatives abroad need to do more receptions and other outreach activities that bring business reps together. Some ECS reps do nothing in this regard.” Perhaps, additional government funding targeted to support trade promotion activities at GOE diplomatic missions is a specific area for GOE ministerial review.

Ensuring that these basic assumptions are standard operating procedure in the GOE framework will serve to buttress the ECS Director’s goal to enhance cooperation, collaboration and linkages with key MOT offices such as the WTO as well as with other key GOE ministries such as the Ministry of Foreign Affairs.

Action: Ministerial (Joint: MOT & MFA) Directive to all Egyptian Chiefs of Mission (COM), reinforcing GOE commitment to promoting Egyptian exports, trade and investment activities. The Directive will instruct all COMs to play key, pivotal role in process to reaffirm commitment to collaboration, team work at every diplomatic mission.

Timing for Action: Immediate

J. Consider Charging Fees for Services Provided

Issue: When the U.S. Congress established the creation of the U.S. Commercial Service, it provided that the Service could charge “reasonable” fees for services it provides to U.S. business. As a result, the Commercial Service has developed pricing structures for the various business facilitation services it delivers. Fees collected for these services are modest by private sector standards and have been found to be much appreciated by U.S. business users. In fact, most U.S. business clients of the U.S. Commercial Service view the offered product services as tremendous value for fee assessed.

Discussions with ECS staff clearly indicate that the current lack of authority for the ECS to levy charges for the services it provides to the Egyptian business is a serious liability in that the ECS represented must often personally bear expense involved in such support. Paying from their own pocket to facilitate airport pick up and other transportation costs, covering representational activity expenses are but a few of the costs cited by ECS staff as standard operating procedure when assisting visiting Egyptian business reps. This kind

of situation is not, in most circumstances, conducive to active, or even better, proactive trade promotion. Either adequate government funding must be in place to assist trade promotion efforts (and associated costs) or a fee structure developed and implemented for trade facilitation services provided to clients. For maximum advantage of ECS, it is recommended that a combination of adequate government funding coupled with authority to collect fees for basic services provided, will be useful.

The U.S. Commercial Service has an inventory of customized trading partner programs which it offers to U.S. businesses seeking to expand markets internationally. Three are suggested as basic prospects for consideration by the ECS as models for similar revenue generation programs it may wish to create. They are:

- **International Partner Search:** This service provides customized search that helps identify agents, distributors, and foreign representatives for U.S. firms. A fee of \$350 per country is charged.
- **Gold Key Service:** Offered by many U.S. Commercial Service overseas posts, the Gold Key is a custom-tailored service for U.S. firms planning to visit a country. It provides assistance in developing a sound market strategy, orientation briefings, introductions to potential partners, interpreters for meetings, and effective follow-up planning. The fees range from \$150 to \$1,500 (for the first day) per country.
- **Flexible Market Research:** A custom-tailored research service that provides firms with specific information on marketing and foreign representation for their individual products in one overseas market. Fees vary from \$1000 to \$5,100 per country.

Action: The ECS must seek authority to introduce “fee for service” structure for some of the export promotion assistance it provides to Egyptian businesses. Alternatively, supplemental funding to trade promotion activities, especially to support ECS operations abroad, is essential. These funds will help defray expenses incurred, in support of Egyptian business, which now may be unduly borne by ECS staffs.

Timing for Action: Immediate and continuous

K. Rotation of Key Staff

Issue: The ECS Director appropriately identifies the critical need to have senior ranking staff onboard at ECS headquarters in Cairo. This is particularly true in the Deputy ECS position as well as the five Regional Office heads. Incumbents in these positions must, ideally, be persons who have senior rank, training and previous overseas experience. Further, these incumbents must, barring extraordinary circumstance (and needs of the service) be assigned for three year (minimum) tour of duty. Four years would be optimum.

At the present time, as the ECS steadfastly moves to ratchet up its operations, with a focus to institute systems, it is critical and even vital for success, that key personnel now engaged in this effort be directed to “stay the course” and continue to contribute their exceptional experience, talent and skills to further advance the effort. The systemic approach to improving ECS operations being delivered by the current Deputy ECS Director is outstanding and every consideration needs to be made to ensure this capable officer remains at the helm of the effort.

Action: ECS Director is recommended to ensure that, at a minimum, the ECS Deputy Director position as well as all Regional Director positions are encumbered by ECS staff who have senior rank (Counselor and Above), training, and previous overseas experience. Further, the ECS Director is encouraged to set standards for tour of duty lengths for all officers. Ideally, those posted to ECS Cairo headquarters should be expected to remain three years minimum, four years maximum.

Timing for Action: Immediate, within next 90 days.

L. Application of Information Technology to ECS Operations

Issue: The ECS Deputy Director has designed and is implementing a program system which uniformly collects trade leads from ECS representations around the world, reviews and culls them upon receipt at ECS Cairo headquarters and acts quickly, via electronic mail, to disseminate them to multipliers such as ExpoLink, the AmCham, the EBA and the various GOE commodity committees who distribute them to their respective memberships. This system is working, but only works well when ECS staff assigned to distribute the leads have proper and adequate IT tools. During one visit with junior staff at the ECS, I had the opportunity to observe them busily entering data for transmission on to end-users, prospective Egyptian exporters. Complimenting one young Attaché on the

job he was doing as he entered data, he quickly responded that he was “lucky” that particular day to be at a computer terminal workstation because the person who usually sat at that place was away on official business. Apparently, when all of his office mates are present, he must share the computer.

Action: An assessment of ECS computer/peripheral needs is indicated. Every effort needs to be taken to ensure that all key staff, especially those involved in handling time sensitive trade leads, has the equipment tools needed to do the job. This assessment must be a joint ECS/ATR effort.

Timing for Action: Immediate.

M. Improve Connections with the Local Business Community

Issue: There are many local market participants who can be used by the ECS to help strengthen its organizational efficiency and effectiveness. Discussions with program directors at several key market participants such as The American Chamber of Commerce (AmCham), the Egyptian Exporters Association (ExpoLink) and the Egyptian Businessmen’s Association indicate that ECS can do more to strengthen its linkages with these multiplier organizations.

In response to questions regarding the effectiveness of the ECS as the prime GOE entity charged with export promotion, program directors of private sector entities met, offered the following comments.

“Caliber of ECS overseas staff, especially in key trading partner locations, is not consistent in terms of experience and market promotion savvy.”

“Some are just ineffective because they simply do not know the marketplace.”

“The ECS website needs updating. Some representatives have moved on...some have died.”

“ECS staff needs technology experts, systems analysts.”

“The ECS must do more outreach. Public relations are key to successful trade promotion.”

“ECS staff needs better command of English, especially “Business English.”

“ECS staff can benefit from training collaboration and practical experience with other export promotion entities.”

This sampling of comment from local outside groups suggests some specific areas for improvement the ECS must consider.

As a start, based on my discussions with private sector entities, especially ExpoLink, I urge the ECS to take the following steps immediately:

- Make, as a standard operating procedure, linkage with key private sector helpmates such as ExpoLink. The ExpoLink Executive Director is prepared and ready to strengthen the working relationship to include more prospects for “on-site” training, export technique instruction for ECS staff at Cairo ExpoLink office. The Executive Director even suggested that all new attaches need ExpoLink orientation and training. This is another “early win” opportunity for the ECS.
- Make plans for ECS staff to visit, on a regular basis, factories, businesses and industries in Egypt, especially those engaged in exporting. Every new ECS officer should have this kind of commercial orientation prior to overseas assignment. ExpoLink and EBA are both ready to work with ECS to set up meetings with their constituents engaged in export trade. Visits and consultations with other “export ready”, but not yet exporting firms can also be started.
- Look to incorporate views of ECS “alumni” who have moved on to the private sector after successful service with the ECS.

- Through stepped up relationship marketing, build up direct, personal contacts with business development services that can provide support to private enterprise (e.g., accounting firms, lawyers, marketing firms, advertising firms and business consultants).

Action: ECS Director and/or Deputy Director will meet with Executive Directors of both the AmCham and ExpoLink with the aim of setting in motion specific areas for collaboration. Progress, not perfection is the immediate goal in taking this action. The purpose will be to discuss some very specific, concrete ways to collaborate. This kind of networking, if actively pursued is guaranteed to bring good results.

Timing for Action: Immediate, within next 30 days. Executive Directors at both Amcham and ExpoLink have assured me they are ready to help.

II. ADDITIONAL RECOMMENDATIONS

“The best way to predict the future is to invent it.” Alan Kay, Director of Research

Apple Computer

Company

“The Destiny of any Nation is determined by its young men under the age of 25.”

Goethe

The ECS now stands at a critical threshold. Under the guidance of an active and enthusiastic new director, it is prepared to make necessary changes which will provide greater opportunity for Egypt to successfully meet the ECS mission “to build upon Egyptian economic relations to promote trade and investments between Egypt and other countries world-wide.”

Importantly, as the world trading system evolves rapidly into a global market with lower trade barriers and greater capital mobility, international trade becomes even more critical

to the health and vitality of the Egyptian economy. All Egyptian officials, starting with the President, put export growth as a top priority and prerequisite for sustainable growth.

During the October 23, 2003 – November 12, 2003 period spent in Cairo, a large portion of the time was spent directly working with senior managers at the ECS, observing daily operations of the organizations and discussing plans involving current operating procedures as well as plans of action for the immediate future. Most of what was observed during this relatively short time period indicates that the ECS is definitely hard at work on its defined mission to promote the sale of Egyptian products around the world. What is required at this time is action to establish and implement specific training aimed at every level of the staff organization. It is suggested that the first target be the junior staff, the new class of some 40 brand new entrants. These folks are the future of the ECS and must be given every opportunity to excel right from the beginning of their service.

It is very, very clear that the new officers are ready and anxious to help advance the ECS mission. Yet, there appears to be some uncertainty among a few as to just what lies in store for them in the days ahead. Perhaps, the suggested mentor system will help to allay some concerns. And, the provision of specific training, prior to the first overseas assignment will be invaluable. It was interesting to note that some of the new class indicated that training programs have been talked about, especially some activities with the Ministry of Foreign Affairs, but that nothing concrete has yet materialized. These uncertainties must be removed as they can cause doubt, confusion and will be harmful to morale if left unanswered.

Most of my time was spent with senior and mid-level ECS staff. This was not wholly satisfactory. It would have been helpful to have more contact with the junior staff. Two young officers offered two specific concerns. One, had no idea of when he might be going abroad. Not even the slightest idea. Apparently, each member of the new class of attaches is “rank ordered” and their standing in rank plays a determining role in their future assignments. Another informed he needed a computer and did not have his own workstation to expeditiously do the work required to get trade leads disseminated to Egyptian exporters. This last finding suggests a review of equipment needs may be advisable and additional equipment purchases made as required.

To buttress action steps discussed in this paper, will require a strong reaffirmation of USAID Strategy for Building Trade Capacity (TCB) mandate for USAID and other USG trade policy agencies to work closely to coordinating GOE requests for TCB assistance.

This is especially true in the areas of training mentioned, specifically Area Studies as well as the Tradecraft course offerings of the State Department's Foreign Affairs Training Center. Use of expert, in-place, proven excellent training offerings by the U.S. government can be invaluable to the ATR effort.

III. NEXT STEPS

This consultancy looking at the ECS operation provides guidance for immediate and longer range actions which, if implemented, will serve to improve ECS as an institution charged with the responsibility for promoting the country's international trade relations.

ATR should continue to work with the ECS, tracking, and assisting as appropriate, the implementation of the issue actions discussed. ATR, in consultation with USAID, should consider and implement action to enlist the support of U.S. Department of State, specifically the Foreign Affairs Training Center as a provider of training support to the ECS. This training will be an excellent complement to private sector organizations/institutions used.

Strong consideration by all parties (ECS , ATR-USAID) to continue the use of expert consultants as discussed in Section II: Issues, is advised, especially placement of short-term advisors at both ECS headquarters and at select ECS posts abroad.

Attached as Appendix 3 are a set of additional steps that can be taken in the area of institutional development to assist ECS.

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Appendix 2

- Trade Secrets: The Export Answer Book for Small and Medium-Sized Exporters: Egypt
Sample front pages. Text can be obtained from ExpoLink.

- Samples of ExpoLink promotion/trade lead collection forms

SUGGESTIONS FOR CHANGES IN ORGANIZATIONAL STRUCTURE FOR ECS

Rotation and Assignment of Staff

- Tours of duty need to be established for both overseas and domestic postings. Suggest 3-4 year postings at minimum. Four year postings are recommended for continuity and sustained system flow. Current system is erratic and, largely, it appears, driven by political decisions based on personality rather than principle. For example, once assigned to a major post, an incumbent may stay for periods up to 7 years regardless of performance.
- Assignment criteria must be developed which clearly enunciate qualifications and special aptitudes of staff. This is especially true for overseas postings. Currently, only academic credentials are submitted for review by decision makers. There is no inclusion of past employment or special skills possessed by candidates being posted. This often will result in instances where the best person for the position is not the one assigned. Recommend immediate action to include a full profile, employee skill set analysis be performed on every ECS officer. This skill set analysis will include such details as academic preparation, language training/skills, previous employment (private sector), overseas travel, and any other aspects which are considered vital to make best decision.
- Organizationally, senior ECS and MOFT managers must take a hard look at current staffing arrangements to identify gains that could be made through adjusting staff assignments. Obviously, because of entrenched political machinations, this will be a “rough row to hoe.” In fact, it may be nearly impossible. Here, my managerial sense tells me the advice offered by ECS Director Hefni is right on target. When we discussed management, operation changes, improvements, he cautioned that three things always be considered i.e. being PATIENT, POSITIVE and PRAGMATIC. These factors he suggested as critical additions to the seven P’s I suggested to him; Prior Planning and Preparation Prevents Piss-Poor Planning. As an integral part of this process, the ECS is encouraged to consider establishing a rigorous “selection out” system where officers who continuously do not meet an established level of performance are asked to leave the service. This kind of on-going review and assessment of staff performance is ESSENTIAL. Without it, marginal performance or no performance becomes the norm.

Job Descriptions and Development of Critical Staff Positions

- One of the first critical staff levels to analyze immediately is the “core”- the key operatives at the top of the ECS organization which the ECS Director must rely upon. I recommend this core consist of the several Regional Managers and the Technical/Operational unit. It may also be appropriate to appoint a “deputy” director of ECS to assist the director in his work.
- The role of the Regional Director needs to be reviewed, primarily to ensure that incumbent is among the “best” qualified staff in terms of experience, performance and willingness to embrace the vision set forth by senior management. Apparently, some may be “long in the tooth” and in place by virtue of seniority, yet not have the “wanna” to make way for change and improvement. If this is determined by management to be the case, these folks need to be moved to other positions.

Coordination Outside of ECS

- For strengthened collaboration and cooperation between MOFT units, it is essential that unit heads/directors meet and share what is taking place in their respective offices. From my brief discussions with others, it is clear that there is some confusion outside of ECS as to its role in the Ministry. Any ATR action to facilitate communications between units as well as with others, as appropriate, will be helpful. Dr. Ben Crosby at MSI is excellent at this kind of “team” understanding and appreciation training.

Training

- The need for training is a consistent thread in my review of ECS operations. While training is required at all levels, immediate focus/attention should be on the junior officers. Not only I know this as an “objective” outsider brought in to help suggest changes, but my intuitive view was shared UNANIMOUSLY by all private sector reps interviewed. Not a single one failed to note that the young officers are the key to any solid future of the ECS. These private sector business reps are among the leading, I repeat, leading business and global interests in Egypt. Two of them, one a former ECS officer himself, have served on selection committees assessing new entrants to the ECS. It was starkly revealing when I asked the former ECS officer why he left the service and he said “three factors caused me to leave...they were frustration, impatience and inability to accept the incompetence of the boss.” Here, again was a clear explanation for why it is imperative to act soonest to make sure the new entrants get all the training, motivation, encouragement and guidance (MENTORING) needed now to keep the “fire in their bellies” hot and raring to go. Once it goes, they will likely go off to find better prospects in a different organization, or stay, with the flame extinguished and their morphing into just another ineffective, inefficient cog in a disparate (and disparate) bureaucratic mumble jumble. What a waste this will be if it is permitted to happen.

Patience

- Rome wasn't built in a day. And surely, the ECS is not going to be reengineered overnight and not at anytime soon. What is needed is a hard look at achieving reasonable "early wins." ECS Director and his closest advisors are doing just that...working to initiate new systems. Yet, they need help. Help from ATR and help from any other organization and/or individual willing and able to provide assist. Training is basic. No grand elaborate, cutting edge organizational set up is going to change the fact that the staff needs training and preparation for the task of promoting exports. To be more effective, the entire staff needs to understand and embrace the basic pillars for success... Training, Information and Contact building. The more help provided is DIRECT, PERSONAL AND WITH THE BENEFICIARY will greatly determine success. Too much advice and guidance from a distance is not terribly helpful.