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## **I. Narrative**

### **A. Background**

An MBA in Banking program has been conducted under a contract with the Barents Group since 1996. The program has been implemented in conjunction with the International Management Institute. The activity described in this Task Order is a direct follow-on to this previous program.

The scope of this task order is twofold:

- To continue to develop a core set of financial professionals who can both lead and manage the transition to free market financial services operations and who will serve as a training and knowledge resource for their colleagues,
- To develop the sustainable institutional capacity and structures to increase the effectiveness of these leaders during the transformation

To achieve the overall scope of this task, Barents will assist IMI in the following:

1. Establish within IMI a full service Career Services and Placement Office,
2. Strengthen the alumni association to increase its role in transformation of the financial sector,
3. Strengthen curriculum and teaching and training methodologies

Implicit throughout the duration of this contract is the need to assist IMI in becoming capable of self-sustaining the MBA in Finance program.

## B. General Quarterly Review & Activities List

- Barents prepared documentation and reviewed IMI study tour requirements with USAID including David Dod, Boris vonHoffmann, and Victor Verhun, in light of lack of funding from AED
- Barents analyzed study tour restrictive budget and took significant action to work to ensure a quality study tour experience for IMI to the degree possible with current funding
- Barents purchased study tour tickets in Ukraine at significant budget savings
- Barents contracted AED to prepare Visas and insurance for study tour participants
- Barents prepared detailed analysis of prior study tour feedback and current student input to develop planned improvements to study tour content. (Attachment A)
- Barents ensured participation of the IMI Career Services and Alumni Manager in the study tour and prepared applicable itinerary
- Barents met with CEO of the Western NIS Enterprise Fund to seek support for the Chicago study tour itinerary development
- Barents began substantial study tour content programming
- Prepared sustainable budget proposal for IMI self-funded future study tours. Began discussions with IMI (Attachment B)
- Barents continued weekly meetings with IMI Director General to advise on institutional development strategy
- Barents began joint development with IMI of a one-day alumni conference to be held on April 7, 2001
- Barents attended IMI Alumni Business Club meeting to gather alumni input into alumni conference agenda
- Barents began an interview process of prior Banking MBA graduates to gather data regarding career progression and program impact, with approximately 55 interviews complete. Success stories and program impact will be assessed.
- Barents assisted IMI in developing a list all existing career service material.
- Barents translated Keirse Assessment and other self-assessment materials and assisted IMI in preparing Career Center Self-Assessment training. Training conducted in December 2000.
- Barents contacted and began cooperation with David Keirse to incorporate the Ukrainian assessment translation for inclusion on his internationally recognized web site.
- Barents assisted IMI in preparing and presenting the Career Service Center Resume Writing Workshop on February 8, 2001. Resume preparation and review will be ongoing.
- Barents continued facilitation of an enhanced interactive IMI web site design substantially donated by IMI graduates, including online Career Service Center capabilities
- Personal career counseling interviews were begun with students jointly with IMI Career Services Manager and the Barents Technical Project team.

- Barents contacted the International Management Association in the US to begin cooperation with IMI in gaining CMA certification for faculty and enriching curriculum with CMA review course capability
- Barents translated new course in “Marketing of Financial Services” prepared by Cathy Silverstein
- Analyzed IMI marketing faculty needs and prepared more focused SOW for Cathy Silverstein’s faculty development activity in March
- Barents has sought contacts within the insurance training area to broaden the IMI curriculum in financial services. Good leads have been generated and follow-up will continue.
- IMI and Barents continued the personal industry survey interview process with Credit Lyonnais.
- Barents attended AED training for technical assistance contractors working in the training sphere. Barents also encouraged IMI participation in similar local providers AED training.
- Continued work on IBTCI equipment transfer

### C. Faculty and Curriculum Development

#### 1. Study Tour –

Barents prepared a brief analysis of the expanded curriculum of the IMI Finance MBA program that described the underlying need for a 3 week study tour with enhanced curriculum, versus a reduced 2 week study tour. After exhausting any possibility for further funding support as assumed in the initial project budget, Barents went to work to make all possible modifications to ensure the strongest possible two week study tour despite the large fixed costs associated with travel inherent in the budget. With the approval of USAID, Barents purchased air tickets in Ukraine at substantial savings. Barents also supplemented the study tour budget from local operations budget.

Consistent with project objectives, early RFP discussions, and the contract between Barents and IMI, Barents has ensured the participation of the IMI Career Services and Alumni Manager in the study tour. Barents is coordinating several visits in New York and Chicago with campus Career Center and Alumni directors to enhance the manager’s overall vision for the IMI centers.

Barents reviewed prior AED study tour reports, Q1 student inputs, and the needs of an expanding Finance MBA curriculum and proposed a number of developments to the study tour content. Attachment A provides this analysis and recommendations. Barents is working to accomplish as many enhancements as feasible for 2001.

## 2. Faculty Development

Consistent with targeted plans, in November Andriy Masiuk, from Barents, provided direct TOT coaching to Natalia Ivaniv, IMI HR faculty member. Based on the work done jointly, Natalia Ivaniv successfully delivered a subsequent course in Basics of Human Resources Management in the IMI full time MBA program.

Barents has developed a SOW for Cathy Silverstein to provide similar direct coaching to marketing faculty in Q3.

## 3. Curriculum Development

Several initiatives toward continuous improvement of the IMI curriculum are underway. Barents translated a new course and leader's manual from Cathy Silverstein in Marketing Financial Services. The course will be delivered in March 2001. Barents has initiated contact, on IMI's behalf, with the Institute of Certified Management Accountants to begin developing certification capabilities at IMI. This program provides clear internationally recognized certification consistent with the objectives of expanding the focus of the financial MBA program. Barents has begun contacts with institutes specializing in insurance industry training to provide IMI MBA course work as well as faculty development in the area of insurance financial services. Barents and IMI are continuing to interview key financial services providers to gain a clear strategic direction for the development of executive programs at IMI.

### D. Career Services Center

In Q2, Barents translated the core self-assessment materials that the IMI Career Services Center will use for the initial steps of personal career development. IMI presented a workshop to students to encourage the usage of the tools and over 35% of the Financial MBA students have completed this assessment to date. In addition, the leading internationally recognized Keirsey Temperament Sorter (follow-on to the noted Myers-Briggs Test) has been translated, along with analysis materials, and direct contact has been made with noted author and researcher David Keirsey. Efforts are underway to include the Ukrainian translation of this test on the international Keirsey web site with credit given to IMI and an IMI web site link.

With assistance from Barents, the IMI Career Services Manager developed and delivered a workshop on resume writing to the Finance MBA class. Resumes and review are currently in progress. Barents technical representative and the IMI Career Services Manager are offering individual career counseling interviews to Finance MBA students beginning in Q2 and through early April.

**II. Q2 DEC 00 - FEB 00 Action Plan Results**

<b>Task Order Objective</b>	<b>III. Action Description</b>	
Career Services	IMI to conduct resume writing workshop for all MBA students	Completed Feb 8, 2001
Career Services	Identify and compile all existing IMI career development materials	Complete
Career Services	Develop materials needs list for full service Career Services Center	Postponed until after study tour
Career Services	Develop/arrange Interview Skills Workshop	In process
Faculty/curriculum	Barents to teach one course	Scheduled March 2001
Alumni	IMI and Barents prepare one day Alumni Seminar Event	Agenda and venue prepared for April 7 <sup>th</sup> event
All	Conduct 2 <sup>nd</sup> student interviews – banking program only	Career Dev interviews in process
Sustainability	Develop funding plan for Finance MBA programs w/internships	Study tour budget proposed

**Q3 MAR 00 - MAY 00 Action Plan**

<b>Task Order Objective</b>	<b>IV. Action Description</b>	
Career Center	IMI to deliver interviewing skills workshop	
Curriculum	Barents to conduct internship	
Career Center	Assist IMI to conduct industry outreach for Career Center and Career Day	
Alumni	Barents and IMI to conduct 1 day Alumni Seminar Event	

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**Q1 Sept 00 - Nov 00 Action Plan Results**

Key Task Order Objective	Action Description	STATUS
All	Identify four core IMI/Barents Teams: <ul style="list-style-type: none"> <li>• Career Services —</li> <li>• Alumni Assoc. —</li> <li>• Curriculum /Faculty                      <b>Industry Relations —</b></li> </ul>	Teams designated Launched team activities 10/10/2000
All	Develop First Year Action Plan	Complete 9/30/200
All	Conduct 1 <sup>st</sup> student interviews Broaden to include day/evening student sample and issue of career services and alumni development	Complete 11/8/200
Alumni	Hold initial meeting with Alumni Business Club for informal survey of future needs and plans	Initial meeting held
Faculty/curriculum	Determine specific current Finance MBA Program curriculum development plan for 2 years	Curriculum dev. in process. Industry needs assessment begun
Faculty/curriculum	Identify key faculty development needs and set plan in place for 2 years	Faculty identified, SOW begun
Faculty/curriculum	Barents to teach 1 MBA course and transfer to Ukrainian faculty for Year 2	Org. Dev. Complete in November
Faculty/curriculum	Complete assessment of student selection process and make recommendations for 2001.	Complete

### III. TANGIBLE RESULTS AND BENCHMARKS

#### IMI FINANCE MBA DEVELOPMENT PROJECT 2000-2002

#	Benchmark	Status
1	Two Finance MBA Programs, 11 months each, successfully completed	First program launched
2	> 50 MBA graduates	30 Students Year 1
3	Completion of two US finance study tours	Tour 1 planning in progress
4	Minimum 5 MBA courses taught by Barents instructors	1 Barents course to-date
5	Implementation of full service Career Center	Self-assessment tools translated and utilized; resume writing workshop complete; web-based placement in process
6	Increased effective MBA alumni participation with IMI	Monthly Business Club Meetings held with 30 paid members, major alumni event planned, alumni contributions to IMI web site in progress
7	Increased participation of non-banking financial professionals in MBA program	> 40% of first year class non-bankers, expanded study tour content in progress
8	Expanded finance curriculum	Contacts with insurance education providers begun, CMA certification process initiated
9	Financial sustainability by IMI of Finance/Banking MBA program	Study tour budget proposed to IMI



## Attachment A

### Study Tour Content

I have had a variety of meetings with faculty, students, and the IMI program manager. In addition, Marina and I have gone step-by-step through prior study tour agendas and step-by-step through the AED survey with students' comments. We have even reviewed much of the material provided during visits from prior study tours. I believe we have a good idea of the priorities for this year's study tour. Please read through and consider the suggestions below and then perhaps we can set up a phone conference later this week to discuss the plans.

#### Observations of the Class of 2001

While this year's class is quite young, the interviews revealed that they actually come into IMI with both more western style academic training and with more western style work experience. There is probably less unlearning to do. In addition, this class is VERY intense and committed. With almost 3 months of the program complete, there has been NOT ONE absence from class. That is pretty amazing and indicates that these students are clearly here to learn. During interviews the students all asked about the 2 versus 3 weeks. In every group their response to the 2 weeks was, "then we need to work all of the time and get as much as we can." Of course, some of that resolve may weaken a bit as they get distracted in the states. But I would like to put together as intense a program as we can over the 2 weeks. As I have mentioned before, over 40% of this group do not come from banks or even from financial services. They are accountants, analysts, or Chief Financial Officers in industry, often retail, or SME business of one type or another. Finally the level of English is much higher. And I suspect that by the time they go most will be able to handle themselves fairly well. Translation of primary presentations will still be important, as we do not want to leave the bottom 10-20% out. But they should be encouraged to ask their questions and interact in English. Most have that capability. Both feedback from prior tours and interviews of this year's students showed a strong desire for more opportunity to interact and ask questions with presenters and/or employees of firms visited.

#### What To Eliminate from the Prior Programs

Based on the interests of the students, Marina's input, Olena's input, and the IMI faculty input below is a list of activities that we would like to replace with new activities.

1. Theoretical economic and banking lectures. Focus the tour as specifically and practically as possible and do not duplicate what they get at IMI. Show them what institutions, organizations in the states do and HOW. (keys to success, likely reasons for failure)
2. Presentations of the students. Audiences have been smaller and smaller and time is short for the students to learn from others.
3. Bank of New York. Last year's visit was quite inadequate.
4. NY Mercantile Exchange/COMEX – would like to reduce the number of exchanges and replace with more practical activities.
5. AIB lecture. The students receive excellent accounting and financial statement review training here and would rather focus on practical there. AIB might be able to provide an interesting lecture on trends in e-banking, credit card fraud management, or foreign exchange. Again, many of the students actually work in foreign exchange, so this should not overly basic.
6. HSBC tour of Hong Kong, Chicago Mercantile, and options Exchanges.
7. Chicago Federal Reserve – do not need two Federal Reserves and the presentation in New York was the most informative
8. There are very mixed opinions of the farm. I would suggest that we leave this until last and see how the rest of the agenda comes together in Chicago.



What to Keep and Develop in Study Program

1. Meeting with the Ukrainian diaspora in each city should be as early as possible, in the first couple of days. Walter Nazarevich, Ukrainian Institute in NY and Julian Kulash of 1<sup>st</sup> Security Federal Savings Bank in Chicago
2. New York Stock Exchange
3. Federal Reserve in New York – apparently the earlier visits were the best because they had a speaker who did a presentation about how the Fed operates in the states, its role etc. Just the tour alone is not as informative
4. Moody's Investor Service – viewed very highly. Add more time for questions.
5. AIG – generally viewed positively. But presentation was very company specific and the what's and how's were considered proprietary. The issue of private pensions fund management and the roles of insurance and private pension fund are extremely important in Ukraine as the legislation is just now being passed. If someone from AIG would be willing to talk more specifically about how an insurance company operates, the general financial model it operates under, the general regulations that govern it, and the relationship of pension funds and insurance...that would be excellent. A solid question and answer period after this would be terrific.
6. KPMG Investment Banker – excellent presentation. More time for questions.
7. Citicorp – excellent presentation done on Customer focus and managing fraud and risk, not really on Ukraine. Keep this for certain.
8. USR Credit Union – keep. Bohdan Kekish has expressed interest in more time. SO when you talk to him let him know that the whole tour has been reduced so we do not have more time. The more he can instruct about the market position of credit unions in the US, their differences from banks, their advantages etc in the time allotted the better.
9. Chicago Board of Trade – Sheila Kush did strong presentation. Keep her if possible.
10. Chicago Stock Exchange/Trader Training Institute Keep Jim Meyerhoff is possible.
11. Comdisco – the first year presentation was strong. The second year was weaker. Rather than only a few words about the company the students need a presentation on leasing itself as an instrument, how it works, how it is priced, risk management, financial reporting etc.

New:

12. FDIC – the FDIC presentation in Washington received excellent reviews. Is there an FDIC office in New York that could offer a similar presentation to the one in Washington?
13. Credit card and debit card management systems, managing risk and fraud, other issues. The students frequently mentioned American Express. It would seem that maybe a second visit to Citicorp in Chicago might work too.
14. E-banking is a very hot issue. Again maybe a second visit to Citicorp would work, or another heavy e-banking bank.
15. Investment banking: different possibilities, more than one would be ok, this is a hot topic
  - Pension fund manager – presentation should not be so much about specifics of the fund but about how pensions fund are set up, how they invest, how they manage risk/return etc.
  - Brokerage firm – how is the firm organized, how are traders compensated, how is the firm regulated, what financial model does the firm use to make money, what are the key's to success/failure?
  - Small investment fund – how as the fund initially capitalized? How is the fund organized, who does what? Where does most profitability come from? Least?



16. A second insurance exposure in Chicago – perhaps a smaller insurance company handling a different product set than the one the size of AIG. Of particular interest are:
  - Structure of the company
  - General different strategies of insurance companies
  - Types of employee position descriptions
  - Back office operations
  - Asset mgt.
  - Risk mgt.
  - Issues of matching principles
17. SME lending – it would very beneficial to visit a bank with a primary focus on the SME sector like Shore Bank. Again, the focus should not be too many company specifics but more how does an SME lender make money? What changes in the bank structure and processes if lending to SMEs versus corporate?
18. Fortune 50 finance operations - maybe someone like P&G or Pfizer, not sure who is in Chicago or New York. But the focus should be on the structure of the finance department, roles and responsibilities, functions of the people in a corporate finance department, who they look for and who succeeds. Etc.
19. Retail company, perhaps with multiple locations, in a trade type business, food stores or something like that – not too much company specific but more key's to success, systems used, roles of finance, relationships with lenders and vendors ...
20. SEC/FASB- I am not sure if this should be a meeting with FASB or the SEC itself. Of interest are the regulation of financial disclosures, how FASB regs are developed and how they support SEC transparency and free flow of capital. We can talk more about this on the phone.
21. Financial consulting – perhaps a second presentation from KPMG – not auditing but consulting in the financial structure and raising capital in varying size of firm, notes, bonds, bills

I will add thoughts as they come up. But this is a good start.

#### Cultural Program

With our budget I am well aware that we will be limited in the organized cultural program. Here is the feedback from prior tours.

YES Keep if at all possible, paid for by Barents.

1. Ellis Island and Statue of Liberty group tour
2. Bus tour of historical and cultural New York - this could be shorter is we save money
3. Chicago Bus Tour of cultural and historical points of interest
4. Of course , birthday at Tom Dowan's would be great

If there is any chance then we could include the "Spirit Cruises" in New York. If not, ok.

Leave to the students:

- Empire State Building
- Art Institute of Chicago
- Science and Industry



General Comments:

The students are intense and focused on learning. So lets schedule as intensely as we can for working days. Leave early, shorten lunches to faster food cafeteria style. Keep them in working mode until 5PM. Both last year's group and this group want as much as they can to hear the what's and how's, not presentations about very specific aspects of one particular firm.

If there is any chance at the end of visits for an HR person and perhaps a marketing person to be included in the question that would be great. Again, the students are interested in real people doing jobs, not necessarily only the top execs. They want to be able to ask as many questions as time will permit. One idea might be to have a panel type discussion at a major bank with middle level marketing manager; perhaps risk manager, and HR manager where they could talk briefly about their particular roles in the bank and then open the floor to questions. I realize that this is a study tour, not an internship, but the more practical the better for these students. They are studying lots of theory at IMI.

Career Services Manager

As if we did not have enough, there is one more issue that affects money. The IMI contract with Barents calls for 30 students plus 2 people from IMI, the program manager and the Career Services Manager. When we add Marina that makes 33 people not 32. This is due to the fact that the two major areas of development in the contract are the alumni association and the career services center. I recall that Norman and I discussed this during the proposal, but I was not involved in the budget so I do not know why there are only 32 people in the budget, but 33 in the IMI contract. In any case, that is a fact in the contract and IMI is well aware of that. And, to be honest, I really do support taking the career services manager so she has the opportunity to see and interact with real career services managers and managers of alumni associations.

Assuming that we take the career services manager, she could attend many of the visits of the other students. But I would specifically want her to visit two campuses in New York and two in Chicago. In Chicago, Cathy Chumachenko is a graduate of the University of Chicago and Karen Westergaard is a graduate of Northwestern, so if we need connections we should have them. In terms of New York, I may have one contact. Hopefully we could set up two meetings at each campus, one with the alumni association manager and one with someone knowledgeable in the career center for the business school.

**Attachment B**

February 14, 2001

After analysis of prior study tour actual expenditures and careful consideration of the two-week study tour budget for the Financial MBA Program in 2001, Barents proposes the following financial framework for IMI to approach self-sustainability with future commercial MBA programs.

**IMI Sustainable Study Tour Financial Plan**

**Location: United States**  
**Duration 14 days**  
**30 Students**

<b>Cost Item</b>	<b>Per person Cost</b>	<b>Client Contribution</b>
1. Airfare	\$1000	
2. Visas/insurance	100	
3. M&I	450	Client/student
4. Lodging	1275	
5. Speakers	100	
6. Conf Rooms	75	
7. Local Transport	250	
<b>Total</b>	<b>\$3250</b>	<b>Total IMI = \$2800</b>

1. Based on travelling to two major US cities and purchasing tickets in Kiev. Barents meets this cost in 2001.
2. Visas/insurance - based on B1 visas and local insurance
3. M&I - actually slightly higher than 2001 budget
4. Lodging - either first class hotels with 3 people per room or slightly less expensive hotels with 2 people per room. Consistent with 2001 budget
5. Speakers/conf rooms – from 5 years of actual Barents experience
6. Local transport – buses are \$5000 per week regardless of headcount assuming that more than a minivan is required. With fewer people, this cost per person increases.

This budget assumes that IMI pays for escorts and translators where needed.



IMI has indicated that it can apply \$2000 of the usual \$6000 tuition cost to study tours. IMI should consider the following options for future programs.

- a) Applying \$2500 of the total tuition to study tour activities and reducing costs where possible,
- b) Raising tuition by \$500 per student
- c) Reducing lodging costs through further reductions in the level of the accommodations sought
- d) Leaving tuition at \$6000 but asking students to provide for their own per diem costs in all cases
- e) Combining smaller groups together, for example a 25 person group with a 15-20 person group, making a 40-45 person tour. This spreads local transportation and conference costs across a broader base and reduces administrative setup costs.

I hope that this assists IMI in planning for future programs without donor funding.

Regards,

Margaret H. Small  
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