



www.tdi-global.com

Governance Excellence:

Managing Human Potential

Presented By:

Tilda Mmegwa

Practice Leader/CEO, TDI Global

March 3, 2009

AT

CAPAM CONFERENCE , ARUSHA, TANZANIA



LEADERSHIP | MANAGEMENT | CORPORATE GOVERNANCE

Outline

1. What brought us here, our goal?
2. What strategy can achieve it?
3. What success indicators validate this strategy?
4. What are possible implementation challenges?
5. What do we do to navigate these challenges?
6. What lessons crystallize from this strategy?
7. Conclusion!

What Brought Us Here?

“To explore ways to achieve excellence in national development and gain international reputation, by Managing Human Potential.”

“A goal properly set is half way achieved”

.....Abraham Lincoln



What Strategy Can Achieve It?



What Strategy Can Achieve It?

Brazil successfully used staff development strategy of:



Of Brazilian citizens, by foreign experts, as critical tools to developing a “powerful economy” or development in general.

***This country holds important lessons
for all developing nations.***

Coaching, Mentoring & Enhanced Education

Brazil became increasingly embedded into world economy.
....with competition pressures in global environment,

A. *Companies: adopted advanced management practices to address pressure.*

- ❖ Reengineering (redesign of the processes)
- ❖ Enterprise resource planning (ERP),
- ❖ ISO 9000

..... were implemented.

B. *Government pursued public sector reforms*

How were these achieved in an environment with poorly skilled labor force?

Strategies & Managerial Practices

Companies embraced a team approach that resulted in coaching & mentoring:

Foreign experts & locally trained professionals carried out tasks together:

- ❖ Local professionals learnt from foreign experts.
- ❖ Foreign experts gained local institutional, organizational, and cultural knowledge.

For Instance:

Re-engineering

- ❖ Fiat manufactured & distributed Palio model in Brazil using multinational team of engineers, designers, and workers from Brazil, Italy, Argentina, and Poland.

Strategies & Managerial Practices.... (Cont'd)

For instance:

ERP integrates systems:

- ❖ Gives management integrated view of operations
- ❖ Reduces operational costs
- ❖ Supports robust strategic planning.

Human factors can, however, impede success.

Strategies & Managerial Practices.... (Cont'd)

For Instance:

Major human factors:

1. User involvement & commitment to scope
Involve Employees in:
 - ❖ Decision making and implementation process
 - ❖ Mapping business processes per department
 - ❖ Define Scope & get buy-in from all important stakeholders
2. Change management – old system is good enough perspective.
 - ❖ Communicate old system deficiencies/new system benefits
3. Functions departments need to map into ERP.
 - ❖ May require change in business process/extensive training
 - ❖ Team ERP experts, IT, & process owners
 - ❖ User training (coaching, mentoring & enhanced education)

Strategies & Managerial Practices.... (Cont'd)

ISO 9000:	Folha de Londrina (Newspaper coy.)
Objective:	First in ISO, excellence, distinct quality.
Process:	“18 months of hard work, dedication, difficulties & learning”.
Success Indicators:	Enhanced integrity, increased advertisements, faster production/distribution, complaints reduced to 0,06% of total distribution.
Challenge:	Involve all 500 emp, poor skills, resistance over ISO rules.
Managerial Practice:	<p>Mgt. commitment, communication & motivation – demonstrate ISO benefits to all employees.</p> <ul style="list-style-type: none">❖ Quality expert in committee with employees: help relate to program.❖ Employees wrote programs, identified wastage/inefficiency & solution❖ Continuous improvement demanded process mapping & employee training.

Strategies & Managerial Practices.... (Cont'd)

Can ISO be used to improve Public Administration?

- ❖ Set success indicators at principal levels of organization:
 - ❖ productivity, average delay of process, quality of service
 - ❖ satisfaction of the public with provided services.
- ❖ Set policies to evaluate service, training, & recruitment
- ❖ Implement system to search for continuous improvement
- ❖ Other indicator of special importance

Strategies & Managerial Practices....(Cont'd)

Government embarked on reformatory initiatives to:

- ❖ Modernize the National School of Public Administration
- ❖ Develop new types of future leaders for public service.

Major initiative was with Canada:

1.) Provided technical support

2.) Financed a four-year project (CIDA & CSPA) *focus:*

a.) Curriculum & process design for executive education.

- ❖ Canada Sch. of Public Serv.(CSPA) shared its models & curriculum development processes.
- ❖ Brazil adapted models to Brazilian conditions.



Strategies & Managerial Practices....(Cont'd)

b.) Public Sector research

CSPS shared & coached on its research model:

- ❖ Action research
- ❖ Roundtables (academics/practitioners).
- ❖ Consultative research (across departments.)

3.) Canada's Cooperation Strategy: 2005–2010 (CIDA)

Canadian/Brazilian partners learn through:

- ❖ Exchange of knowledge, models & experiences.
- ❖ CIDA supports Brazil's effort to reform social/public sectors:
 - ❖ Deliver knowledge - how Canada achieved equity principles.
 - ❖ Coach public sector, civil society, & private sector

Themes: Governance, health, labour, equality, environment

Strategies & Managerial Practices....(Cont'd)

4.) Brazil-Canada International Open Forum (2006): brought together

- ❖ Leading thinkers/representatives from 15 countries &
- ❖ Senior Brazilian officials: federal, state & local levels.

Other government Initiative:

Government/UNDP collaboration:

- ❖ Promote people-centred development.
- ❖ build partnerships with civil society to fight poverty.
 - ❖ Programs within framework of Std Agreement on Tech. Assist (Brazil/UN).
 - ❖ *UNDP works closely with Brazilian Cooperation Agency (ABC)*
 - ❖ *Brazilians themselves implement programs supported by UNDP, whenever local expertise is available, making them more self-reliant.*

Questions to Ponder....

- 1) What lessons can we learn from Brazil's experience, particularly in building local capacity through mentoring, coaching and education?
- 2) Has your country explored a country-country structured training programs? What was the experience? What lessons can we learn from the Brazil-Canada approach?
- 3) What challenges do you envisage in your government's effort to implement training programs in strategic areas? What strategies would you recommend be adopted to ensure success?
- 4) Developing nations have access to "Official Development Assistance" (ODA) from developed nations. Experiences show that a lot more is spent to keep these experts. Using the Brazilian case, how do you think developing nations could better utilize the expert opportunities available under the ODA program?

***What Success
Indicators
Validate This
Strategy?***



Success Indicators

A 2008 “Expert Workshop on Science and Technology, Innovation and Development” organized in Manchester by UNESCO, noted:

- ❖ Developing countries: Brazil, India and China have emerged as powerful economies.
- ❖ Brazil has successfully pursued resource-based industrialization.
- ❖ Brazilian firms now define frontiers of technology
 - ❖ Firms did not just play catch up but acquired capabilities

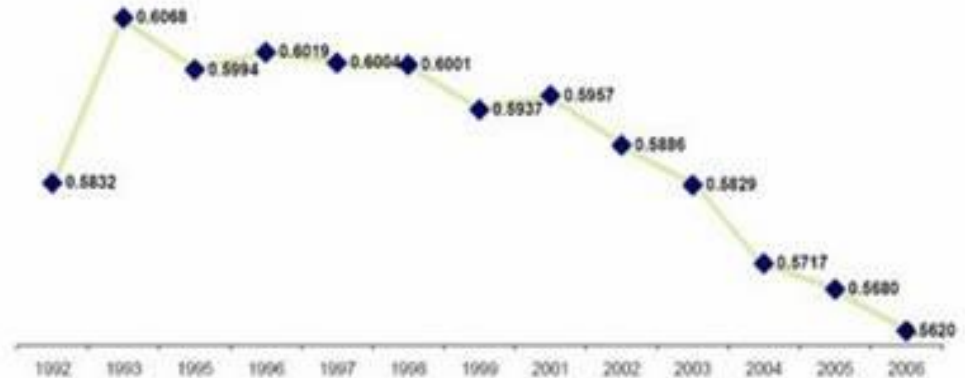
Success Indicators (cont'd)

Petes Drucker, the father of modern management, said:
“What gets measured gets managed”

From 2001-2006,

- ❖ Poorest 10% experienced 57% growth.
- ❖ Richest 10% experienced 7% growth in real income.

Gini Inequality Index of Income per Capita, Brazil



Source: Centro de Políticas Sociais, Fundação Getúlio Vargas

Success Indicators (cont'd)

In a 2008 report, IMF Executive Board:

- ❖ Endorsed Brazil's thrust of staff appraisal.
- ❖ Praised Brazil's for social policies that led to a significant decline in poverty rates.
- ❖ Indicated Brazil is in a significantly stronger position to withstand deterioration in the external environment.
- ❖ Highlighted that Brazil's sovereign debt has been upgraded to investment grade status.
- ❖ Recommended:
 - ❖ domestic demand be curtailed to address decline in external current account.

Source: <http://www.imf.org/external/np/sec/pn/2008/pn08103.htm>

What Are Possible Implementation Challenges?



Challenges in Strategy.....

ISO 9000 certification (1990s/2000s): firms faced unfavorable conditions:

- ❖ Poorly skilled labor force, high power distance, and centralized decision-making process.
- ❖ ISO quality system increased costs and organizational rigidity.

Reengineering programs compelled companies to focus on:

- ❖ Redesign of processes rather than addition of modular units due to complications associated with modular units .

Challenges in Strategy.....

With initiatives came:

- ❖ Loss of leadership, deterioration of organizational climate,
- ❖ Decrease of organizational memory, and damage to organizational reputation.

ERP had scope and planning mistakes:

- ❖ Standardized enterprise systems failed to tailor to needs of orgs.
- ❖ Loss of key organizational functions.

Government reforms faced resistance as partners validated Brazil's readiness

What Do We Do To Navigate These Challenges?



Navigating Challenges

- ❖ **Companies remained tenacious—and resilient.**
- ❖ **Government:**
 - ❖ Gave support by way of laws, policies, and fiscal incentives.
 - ❖ Facilitated subsidized public financing for ISO 9000-certified comp.
 - ❖ Ensured that public bids to government contracts rewarded ISO certifications.
 - ❖ Reduced logistics costs to improve price competitiveness of Brazilian products.
 - ❖ Implemented reforms in the financial sector that:
 - ❖ minimized credit risk and bank overheads.
 - ❖ improved financial access.
 - ❖ provided momentum for growth of the insurance industry.

What Lessons Crystallize From This Strategy?



Lessons Learnt From Strategy.....

- ❖ With clear objective & right frame of mind, a nation can successfully enhance its economic/social conditions and gain international reputation.
- ❖ A "practitioner helping practitioner" approach in the context of a long-term relationship with a counterpart institution, offers a good platform for success of initiatives. Brazil-Canada cooperation:
 - ❖ Introduced a model that had an observable impact on the design of the HR mgt. systems in Brazil.
 - ❖ Impacted on National Sch. of Public Admi. through the sharing of Canadian models and knowledge.

Lessons Learnt From Strategy.....

- ❖ Developed nations, like Canada, are excited to participate in HR mgt. reforms in emerging economies, especially as a relatively small investment commitment could yield tremendous results.
- ❖ Partnership with developing countries offer foreigners desired global perspective in their respective areas.

Conclusion!



Conclusion!

Most critical component of Brazil's success:

- ❖ *Vision* (vivid mental image of where a nation is going)
- ❖ *Motivation* (ability to do something and keep going)
- ❖ Building of local expertise.

Emerging economy:

- ❖ Take advantage of a growing supply of foreign expertise
- ❖ Allow expert to **train, coach and mentor** citizens
- ❖ Give citizens opportunity to consolidate learning

THANK YOU!

Brought to you by...



LEADERSHIP | MANAGEMENT | CORPORATE GOVERNANCE

www.tdi-global.com