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## The launch event

The PHARE Regional Telecommunications Programme will begin with a launch event in Budapest, Hungary on February 21/25, 1994. This will launch modules 1 and 2 - "Regulating the Telecommunications Sector" and "Managing a Telecommunications Company". It will also provide a high level forum attended by representatives of the participating countries, the steering committee, strategic training managers, senior telecoms representatives from European Union member states, TELCOs, ministries and regulators and key western users of telecommunications services. Prominent European organisations such as major funding banks and the CEPT/ACECO Group will also be represented. About 100 delegates will attend.

68/1.330

The aims of the launch are to introduce the Regional Telecommunications Training Programme to key people in the participating countries and to provide an opportunity for people to exchange information and experience. It should also help participants develop a strategic direction for the future of their organisations so that they can start preparing concrete projects to achieve their goals. The event should generate better awareness and understanding of the programme so that it continues to benefit participating countries and receives continuing support.

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# TELEPHARE

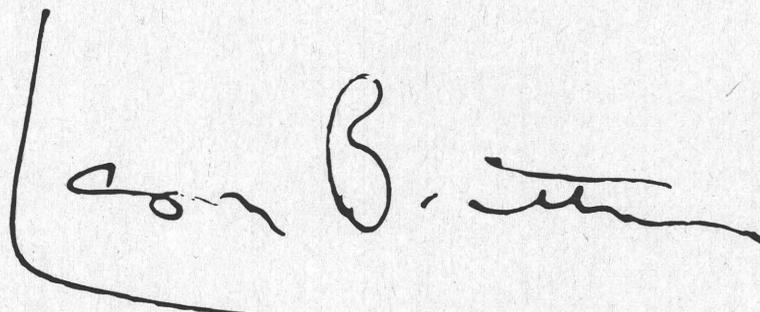
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## Editorial

*Just as the development of railways during the Industrial Revolution brought about a greater sense of national unity in the nineteenth century nation states, the current information revolution is consolidating our sense of European identity and solidarity through sophisticated communications networks which bring European people, businesses and markets even more closely together. In no field is this happening more quickly than in telecommunications. As we develop a strategy for helping the countries of central and eastern Europe to prepare for membership of the European Union, the development of national and regional telecommunications networks and of links with those in the European Union is a high priority.*

*Since its inception, the PHARE programme has devoted a considerable share of resources to a Regional Telecommunications Programme, in which ten countries now participate. This programme is of great interest to large numbers of people in different walks of life. Telephare is designed to link all these people; to keep them abreast of new developments; to stimulate contacts between them, and to provide a forum for the exchange of ideas and news.*

*I am most happy to be able to launch this first issue of Telephare and I hope that it will contribute to the process of building up better communications networks in the eastern part of the continent and thus contribute to the progress of European integration.*



Sir Leon Brittan



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## What is PHARE?

PHARE is the European Union's programme to support economic restructuring and democratic reform in central and eastern Europe. Its funding is used to channel technical, economic and infrastructural expertise and assistance to recipient states. The aim is to help these countries achieve market economies based on free enterprise and private initiative. Since 1990, more than 3.3 billion ECU have been committed to hundreds of projects in dozens of different sectors in eleven beneficiary countries<sup>1</sup>. Phare's assistance is provided in the form of grants, rather than loans. It is a demand-driven programme: most key decisions are taken by the beneficiaries, rather than by the Commission. PHARE programmes have clear policy reform objectives, concentrating on the core sectors of agriculture, industry, energy, training, environmental protection and trade and services. As the process of reform becomes well established, areas such as social policy and the support of institutional frameworks to promote democracy and civic society become eligible for PHARE assistance.

<sup>1</sup> Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

## The PHARE Regional Telecommunications Programme

Since 1989 eastern Europe has undergone dramatic political and economic change. PHARE has examined various aspects of the economies of the countries of eastern Europe so that it can help develop infrastructures vital for market-driven economic development to take root.

In telecommunications, studies have highlighted the importance of establishing adequate services. The studies show that to provide the necessary back-up for a functioning telecommunications structure, a new legal and regulatory framework needs to be established. There must also be a coherent sector development strategy which can respond to a newly competitive environment.

Each of the 10 participating countries of the PHARE Regional Telecommunications Programme - Albania, Bulgaria, the Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia - have similar needs which can be addressed by a single regional telecommunications development plan.



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## The Objectives

Before the programme could be implemented, five key objectives were identified. The first was to upgrade and strengthen the knowledge and practical experience of the staffs of the 10 countries so that they could handle the operational and regulatory aspects of the improved telecommunications systems.

Assistance in the transformation of their internal telecommunications systems, while keeping an eye on areas of common regional interest, was the second objective.

The exchange of information between the beneficiaries and the European Community in order to promote a harmonised regional approach was also considered of vital importance.

The fourth objective was simply to provide support identifying, preparing and, in some cases, implementing investment projects at a regional level.

The final aim was to produce concrete and immediately implementable results with the help of specially chosen national staff.

## Achieving the aims

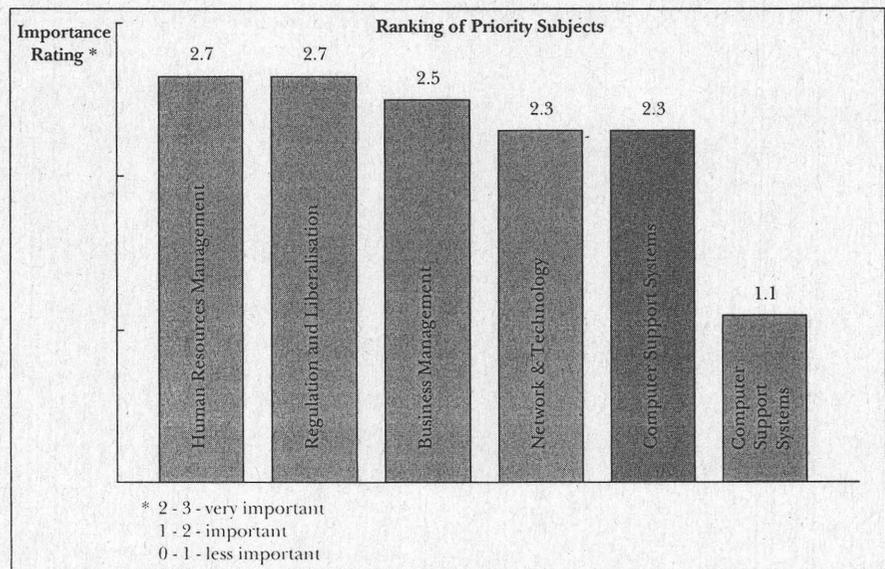
Once the European Community had identified these training needs, the 1992 PHARE Regional Telecommunications Programme was set up with an ECU 5.6 million budget. Work began devising programmes designed to cater for regional and individual country needs.

PHARE set about finding the right organisation to co-ordinate the research, to design and to implement the Programme with a timetable for completion of two years. The job was awarded to Development Dynamics

Limited (DDL), a British specialist telecommunications training consultant.

Between June and September 1993, DDL's team, on behalf of PHARE, visited all ten participants and interviewed about 90 managers. The results of an initial training questionnaire showed a range of training needs covering more than 50 topics. Figures 1 and 2 illustrate the importance rating and grouping of the subjects.

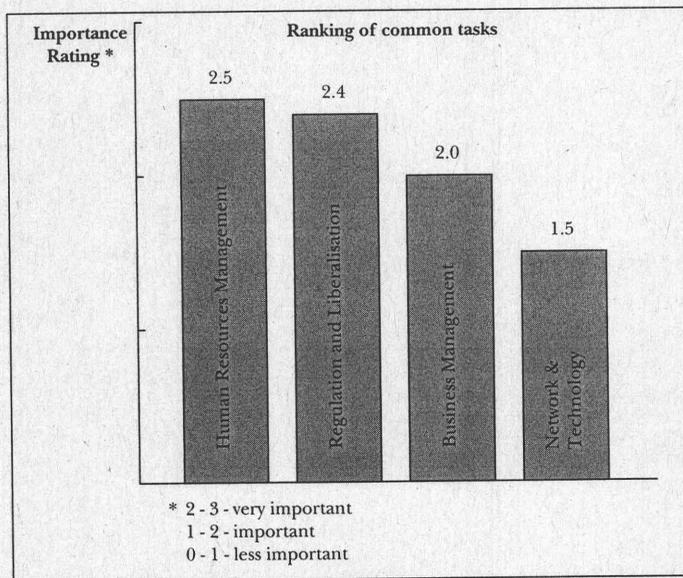
**Fig 1. Summary of Training Needs**  
(Results of the survey amongst PHARE countries)



# Achieving the aims (continued)

During the research, it transpired that certain common tasks needed to be carried out. Figure 2 shows the tasks and their importance as perceived by the respondents in the region.

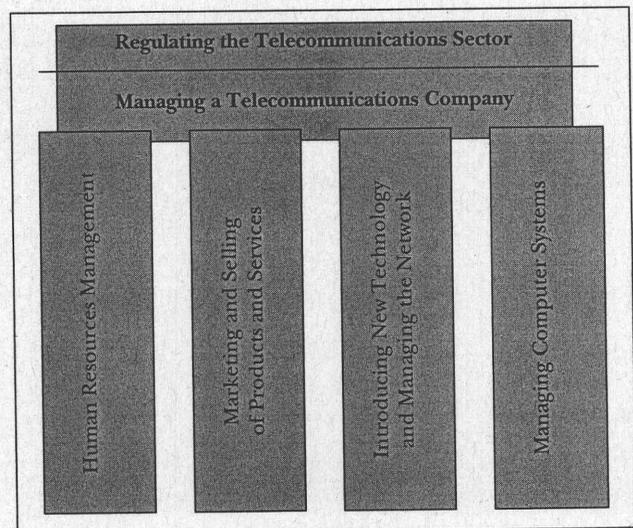
Fig 2. Summary of Common Tasks



After the initial research was completed a Regional Secretariat was set up in Sofia, Bulgaria.

The Bulgarian Committee for Posts and Telecommunications was chosen to represent the region for the PHARE Telecommunications Programme. Bearing in mind the available budget, a training programme was outlined covering six subjects and the four common tasks. The result was the Integrated Telecommunications PHARE Regional Training Programme.

Fig 3. Integrated Telecommunications Regional Training Programme



- Common elements:
- Training of trainers
  - Casework projects
  - Project and change management
  - Assessing financial implications

This programme outlined six modules, each with relevant casework projects based on the results of a questionnaire.

### *1 Regulation and Liberalisation*

Vital for the telecommunications sector was the establishment of an independent regulatory body which could develop specific items of telecoms legislation and licence conditions. It would also be responsible for setting up quality and performance standards for operators and for installing monitoring arrangements. Tariff policy and the preparation of a tariff plan were considered key tasks, as was the preparation of a frequency spectrum plan, taking into account regional needs.

### *2 Managing a Telecommunications Company*

It was clear that training would be necessary for national operators in telecommunications company management. Linked to this would be the production of strategic and business plans. Finding a way to change existing organisations or management systems would be incorporated in the business plan. Another aspect would be the preparation of a plan to increase profitability and generate more profits for investment.

### *3 Human Resources*

The first step was to come up with a staffing plan linked to the strategic plan. This would specify a system of staff appraisal which would set out conditions for remuneration and promotion. Then the specific part of the organisation or management structure would be redesigned according to the guidelines of the strategic plan. The final task of the human resources management projects would be to develop a training strategy for the company linked to the business plan, known as the project for strategic training managers.

### *4 Marketing and Selling of Products and Services*

These projects would start with a market research exercise into each key market segment - large, medium, small and residential businesses. A plan would be produced to create an effective customer account management organisation. Tariffs for services would be set as part of the project.

### *5 New Technology and Managing Telecommunications Networks*

These projects would involve preparing and carrying out an action plan to identify and tackle specific problems of network performance and reliability. Included would be finding ways to improve network capacity and producing a network management and administration strategy.

### *6 Managing Computer Systems for Telecommunications*

An information technology strategy linked to the business strategy had to be prepared. New procedures for controlling Information Technology expenditure would have to be set up. Lastly, user requirements for specific application development would have to be defined.



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## Programme participants

Training will be provided to selected senior and middle managers in each country in order to improve management decisions at a strategic level; to demonstrate management commitment to training; and to help senior managers make informed decisions about future training needs.

In addition, an effective core of qualified trainers will be created who could continue training programmes.

## From concept to launch

With the outline of the programme confirmed, concrete steps were taken to bring it to fruition. In September 1993 a steering committee of coordinators from each country met in Sofia where DDL presented its integrated telecommunications programme proposals. The committee decided to carry out more analysis to focus the programme on the key tasks. Follow-up visits were made to six countries.

By the end of November strategic training managers had been appointed by the steering group in each country. Their prime responsibility will be to

make sure their countries receive the maximum benefit possible from the proposed programme. They will also be trained to assess and select people for training under the programme; to identify potential specialist training managers for each of the six subject areas; and to assist DDL and sub-contractors in carrying out the programme.

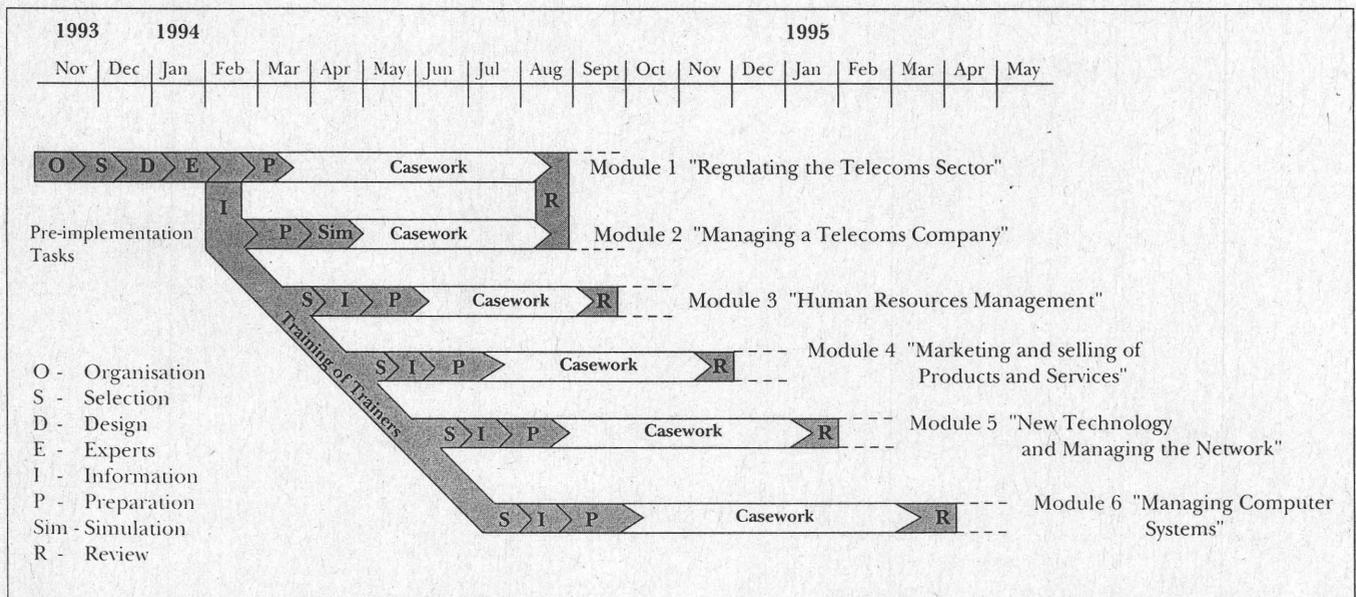
At the same time, six "lead countries" were chosen to be associated with one of the six training modules. They were chosen according to their expertise and their stated needs.

Module	Lead Country
1. Regulating the Telecommunications Sector	Romania
2. Managing a Telecommunications Company	Hungary
3. Managing Human Resources in Telecommunications	Slovak Republic
4. Marketing and Selling of Telecommunications Products and Services	Poland
5. New Technology and Managing Telecommunications Networks	Czech Republic
6. Managing Computer Systems in Telecommunications	Bulgaria

At the end of November 1993, steering group members returned their final comments to DDL. At the same time DDL visited each country to design the training assessment and selection process. In December, DDL put the finishing touches to the programme and, with the help of the strategic training managers in each country, people were chosen for the first two modules.

During December 1993 and January 1994, DDL completed the tenders inviting contractors to produce training material, carry out detailed course design and run the courses. This job will be finished in February 1994. This constitutes the early stages of the implementation process depicted in Figure 4.

Fig 4. Implementation Time Plan



## The next few months and beyond

When the first two modules begin in February, DDL will select sub-contractors, experts and practising managers to help carry out the casework. Strategic training managers will coordinate the selection of people for Modules 3 to 6 and further tasks will be undertaken by DDL until the process is completed by mid-1995.

## To all our readers

This presentation is only a brief outline of progress to date. In future issues we will explain in more detail the structure, timetable and philosophy behind the modules in general, including the casework projects. More details on the contents of the modules will be provided, as well as details about the role of contractors, lead countries, strategic planning managers, national coordinators and the steering group.

The outcome of the February launch in Budapest will be reported with the views of those present on the implementation process for the first two modules and the start-up of the other four. We will provide details of the awarding of sub-contracts, a "Who's Who" in the PHARE Regional Telecommunications Programme and a list of useful contacts.

We are interested in your views on the PHARE Regional Telecommunications Programme and the PHARE National Telecommunications Programmes in the region. If there is any specific topic you would like to hear about, please contact:

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