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# THE UNIDO PHAROS WORKSHOP

The new UNIDO training package “**Management of Change with UNIDO Pharos software**” address key issues of business environment change, growing entrepreneurs’ risks and globalization impacts aiming to identify practical instruments for entrepreneurs and consultants to cope with increasing challenges.

## Modules 1,2,3

- ✓ **Introduction into strategic planning at industrial enterprises (1 day)**
- ✓ **Using UNIDO Pharos software package for management, monitoring and benchmarking of**
  - **strategic and financial performance (2 days)**
  - **production performance management, it’s monitoring and benchmarking (2 days)**

The package integrates learning targets with applications, bringing knowledge and measurement of results together. It helps improving competitiveness, productivity, quality, business efficiency and use of enterprise resources with effective combination of knowledge capital, industrial engineering methodology and simple Pharos information technology tools by UNIDO. The entrepreneurs improve capacity for managing investments, innovations, trade and overall change in general.

The workshop takes place at UNIDO for 5 working days.

## THE FOUNDATION PRINCIPLES OF THE TRAINING WORKSHOP:

1. Facilitating stakeholders’ recognition that systematic management of change requires operational knowledge of methodology, ongoing results and setting best practices.
2. Accommodating the experiences and practices developed in various **UNIDO upgrading and training programmes in countries which applied** UNIDO Pharos - Business Navigator, FIT and Produce Plus software for entrepreneurs.

## THE PARTICIPANTS LEARN HOW

- To improve capacity of managing the change, systematically implementing of best practices of continuous improvement, monitoring and measuring businesses results,

optimizing decisions, eliminating inefficiencies and maximizing use of available resources for increasing competitiveness, productivity and quality with overall result of business culture change

- To use these knowledge capital for facilitating trade, exports, investments, introduction of innovations as well as overall sustainable growth of business results
- Develop best practices for improvement of Key Performance Indicators (KPI) in range of 10% - 45%, including Gross Profits, Productivity (e.g. Added Value per Employee), Competitiveness and use of available resources by eliminating hidden inefficiencies
- Understand of benefits of enterprise performance self-assessment and improvement traceability using Pharos benchmarking and national benchmarking references
- Have follow-up and acknowledging of achievements and best practices by UNIDO Certificates in “Enterprise Business Performance Excellence”.

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## WHO SHOULD ATTEND?

Entrepreneurs, managers, business consultants, vocational training specialists, staff of public and private intermediary organizations, dealing with issues of productivity, quality, competitiveness, entrepreneurship and innovation in industrial sectors, specialists in enterprise certification and financial risk assessment.

The implementation approach is mostly practical with methodological overview. The basic knowledge of PC/ Windows is required.

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## SESSION 1: “STRATEGIC PLANNING AT INDUSTRIAL SMES”.

**Background** One of the major factors in successful business development is planning of development strategies. It shall take into consideration of needs for change including adapting to changing business environment, accommodating potential risks and maximizing competitiveness. The Management of Change training looks into the attitude and approach of the enterprises, especially that of the owner and management, to meet with the demands of a competitive market place, the opportunities and the threats of the changing world. The ability to successfully meet such change requires that the management of manufacturing SMEs recognize that such change is occurring, it will require an adjusting in the way their SME operates and embracing effective management methods, ICT tools and best practices. The module content includes as follows:

### INTRODUCTION TO MANAGEMENT OF CHANGE

- What does it mean to Manage Change? What it consists of and how can be done?
- Key Competencies for Change Leaders: Understanding change management, preparing for change, its planning and managing, building necessary skills, learning from results
- Indicating the need for Change, avoiding complacency and stagnation, its diagnosing
- Managing the Change as process: why it is difficult, identifying people responses, negative and positive ones, managing the responses and transition process, making a case and visions for Change, designing a communication strategy
- Building Capacity for Change Management: key skills, understanding resistance to Change, its overcoming, facilitating openness and understanding, creating the plan
- Learning from results - the relationship between change and learning, obtaining feedback and monitoring the implementation, why Change efforts fail: key reasons.

## METHODOLOGIES OF STRATEGIC PLANNING TO ACCOMMODATE THE CHANGE:

- Concepts & Tools & Techniques, SWOT & PEST analysis, Porter's 5 Forces assessment of competitiveness, application of Productivity and Performance methods, business measurement, management and benchmarking
- Linkages between performance measurement systems and strategies, Balanced Score Card and Pharos approaches, other major business performance methods, Key performance indicators used in UNIDO software suite and its application for simple enterprise benchmarking models

## HOW TO DEVELOP AND IMPLEMENT A STRATEGIC PLAN?

- Consolidating the enterprise position and setting a realistic objectives to achieve: Goals and Objectives, Mission, Strategies, Segments, Products, Utilization of Resources, External Business Environment Impact Analysis - Local & Global Components, Human relations - Trust and Conflict Resolution, Shared Leadership, Control and Procedures, Effective Interpersonal Communications, Preparing the Decisions, Experimentation & Creativity, Monitoring => Evaluation => Control
- Design of the simple decision simulation methodology for assessment of strategic decisions, its consequences and key risk factors in Pharos software suite: Basic principles, transforming the decision into data, introducing the unknown and uncertainties into the decision making, running simulations, evaluating the results, making comparisons, selecting of the "best" option, practical exercises
- Implementing the strategic plan considering Core Strategies, Resources, Customer Interface, Suppliers Partners, Associations and Coalitions: Defining Targets and Milestones, Timetable, Organigram, Organizational Culture, Monitoring and Benchmarking of Key Performance Indicators, Comparing assumptions vs. realities of Threats & Opportunities.

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## SESSION 2: “IMPLEMENTING STRATEGIC AND FINANCIAL PLANS WITH UNIDO PHAROS AND FIT SOFTWARE”.

**Background** The Monitoring and Benchmarking of the business results including finance, quality, competitiveness and customer sales performance of an industrial SME are among key issues of success in Management of Change. The module enables the company management to develop and put in place best practices for complying with business targets including the budgets, quality, productivity, sales, etc. The personalized UNIDO Pharos information technology tools for managers and management assistants help increasing overall performance through easy monitoring and benchmarking of enterprise results.

### ENTREPRENEURS LEARN AND PRACTICE UNDERSTANDING OF:

- UNIDO Pharos Costs, Budgeting and Business targets setup, Financial performance, Cash flow and Profit margins, Improvement of competitiveness
- Benchmarking of major business results and comparison of decisions
- Presentation of business results for prospective investments programmes
- BASEL II Standard implications on enterprise capacity for investment: How to ensure the compliance to minimization of credit risk applications when preparing investment plans?
- How to use UNIDO Pharos personal management software for business results measurement and benchmarking: user interface, features, functions, indicators, graphs
- What are the other underlying concepts of Pharos:
  - Key Performance Indicators (KPIs): Descriptions, Formulas, Selection, Information compressing for making the users analysis simple
  - Main modules: Costs, Performance, Quality, Competitiveness, Product Contribution, Sales, Utilities, options, user preferences
  - What is in the enterprise database, how it is prepared and updated, Data required for Costs, Performance, Production, Quality, Competitiveness Customer sales
  - Defining business targets in practice: Basic principles, Formulas, Setting up the variation limits, best practices, advanced defining of business targets as goal functions
  - Using advanced export-import module: data exchange with third party software and decision simulation, export wizard and defining the data export procedures, saving the procedures in schemes, applying the schemes for data transfers between departments.

### BUSINESS BENCHMARKING AND REPORTING:

- The basic principles of benchmarking and its implementation in Pharos (averaging, reference date and period), KPIs used in benchmarking, benchmarking results and its tuning by using averaging and referencing, report presentation and preparation, data used in benchmarking, reviewing benchmarking graphs

- Comparing the enterprise performances in industrial sectors: self-assessment and positioning against other enterprises, static and dynamic views, reviewing trends
- Practical exercises: Developing sample enterprise database, Defining business targets, Making production planning, Simulation of major decisions, Running data export-import, Preparing benchmarking reports, Analysis of pitfalls, Troubleshooting
- Developing best business performance management practices: Problems and how to address them, Managerial dedication, Value of unmeasured and unknown, Staff attitude, Training and stimulation: Who is really interested in the measurement results? Making it as component of a business culture, Expected results and realities in practice

### STRATEGIC PERFORMANCE AND CAPACITY FOR INVESTMENT EVALUATION WITH FINANCIAL IMPROVEMENT TOOLKIT (FIT):

- Presentation of business results to prospective investor or evaluation of capacity for investments: How to have financial results available just in right time (when an investor opened the door, my bank requested financial report, etc), presented in my language but viewed & printed in English?
- FIT roadmap, installation, enterprise database example, preparation and updating
- Overview: user interface, basic features, functions, graphs, applications, main menu
- Utilities, options, user preferences, Preparing reports and setting up best practices
- Key Performance Indicators (KPIs)
- Applications for credit risk assessment and compliance to Basel II standard

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## SESSION 3: “IMPROVING OF THE PRODUCTION EFFICIENCY AND PERFORMANCE WITH PRODUCE PLUS SOFTWARE” .

**Background** The competitiveness of the Industrial SMEs is highly dependent on their ability to produce good quality products with minimal defects, optimized costs and to deliver on time. The implementation in the company of a lean manufacturing culture facilitates the company management into achieving such goals. The owners, management and personnel capacity to prepare and evaluate major decision options in detail would empower enterprise to manage the change with maximum efficiency.

To ascertain the production and performance of an SME, including, but not limited to the following issues:

- How to determine which manufacturing operations add value to the SME?
- How to improve product and production performance?

- How to prepare and measure major decisions regarding changes in manufacturing, introduction of innovations and business restructuring to adapt to requirements of change?
- How to prepare and run diagnostics / benchmarking for business actual results evaluation?

The selected methodology and tools implemented Produce Plus software provide practical ways of addressing these issues with UNIDO Pharos suite.

#### WORKSHOP PARTICIPANTS LEARN AND PRACTICE UNDERSTANDING AS FOLLOWS:

- Introduction to Performance Measurement in Production, the relation between lean manufacturing and production performance measurement and benchmarking,
- Overview of Indicators and Lean Manufacturing Tools enabling Implementation of the Results, such as Pareto, Value Stream Mapping, Waste Scans, Ishikawa (Fishbone Diagrams), the work through examples, manual calculations and using Produce Plus
- Working with Produce Plus: the components, user interface, benchmarking overview and reporting, data collection and entry
- Production: Calculation of standard work rates, Measuring Actual Work Rates, Method of Data Entry
- Quality: Defining Losses & rework, 'Right first time' approach, Quality Data
- OEE – Overall Equipment Efficiency: What OEE measures, calculation of OEE, data needed to obtain on OEE figure
- Performance/Efficiency: Production efficiency terminology, calculation of measures based on actual, line running efficiency, line utilization
- Costs: Producing a complete Ex-Factory Cost, calculation of standard labor hours and cost, costs data entry
- Labor Performance: its calculation, Data Collection and Entry Methodology, Use of factory floor control sheets

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## THE VALUE OF THE UNIDO CAPACITY BUILDING PACKAGE

The unique Pharos workshop programme integrates concepts, methodology, training and reference materials, enterprise software, practical exercises, combining lecturing, action learning, team work/group work, case studies, simulations and computer-based training.

The participants would benefit receiving the integrated package of services including as follows:

1. Knowledge capital increase by training and best practices
2. Comprehensive set of training and reference materials

3. Complete UNIDO software suite (EDU) with 6 software items Pharos-Business Navigator, Pharos Enterprise Benchmarking and Advanced Data Export-Import, Financial Improvement Toolkit and Produce Plus (1 user license) for use in strategic and production management and consulting
4. UNIDO Certificates of Business Performance Management Excellence and capacity to provide consulting and training

The UNIDO Pharos workshop package “Management of Change” and relevant industrial modernization programme delivers unique combination of methodology, best practices, reference materials, on-site support and software tools. Its content does not have direct analogues on the international market of business support services. If estimating its value by summing up all the components the equivalent cost comes up to **3,000 Euro**. The UNIDO Pharos workshop participants receive the package under special fee of **990 Euro** per trainee.

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Additional information is presented at UNIDO Business Performance Management Software support site: [www.win2biz.com](http://www.win2biz.com)