

DD/S&T# 3994-81/1

Training

26 August 1981

MEMORANDUM FOR: Senior Training Officers, O/DCI, DDA, DDO,
DDS&T, and NFAC

FROM:

[Redacted]
Executive Secretary
CIA Training Selection Board

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SUBJECT: Nominations for Harvard University's
Program for Management Development

1. The CIA Training Selection Board has received an invitation (attachment) from Harvard University about the Spring Session (1982) of the Program for Management Development (PMD). Applications must be received by the Harvard Admissions Committee for the Session no later than 1 October 1981. Candidates must be nominated to the CIA Training Selection Board by close of business 18 September 1981.

2. Officers nominated to the Board should be in grades GS-13 to 15. The PMD is an intensive 14-week course designed for exceptionally promising middle managers whose future responsibilities will require skills and knowledge ranging beyond those developed in their speciality. As noted in the attached materials, each session is limited to 126 managers. Allowable expenses (funded by the parent component) for one officer to attend is as follows:

\$12,000	Tuition
350	Class Association Dues
390	POV @ 22.5¢ per mi. (2 r/t)
70	Telephone Fee
150	Parking Fee
700	Non-accountable Per Diem Allowance (high rent district) \$7.50 per day for 91 days
230	Subsistence Allowance; NTE \$33 per day when meals are not provided
650	Graduation week, subject authorized \$66 per day for subsistence expenses
<u>\$14,540</u>	

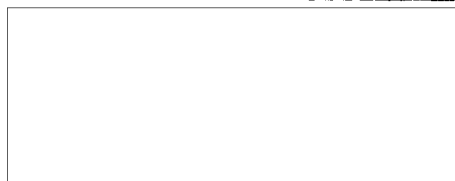
*Costs based on 1978 Fall fees



SUBJECT: Nominations for Harvard University's Program for
Management Development

3. You are reminded that Agency employees selected to attend these programs must do so on a completely overt basis.

4. Please complete Harvard's nomination forms plus two copies of same and eight copies of an internal nomination statement, an up-to-date biographic profile, the most recent Performance Appraisal Report, and an SOD Plan on each nominee. A statement of intent to pay should be included in the Senior Training Officer's covering memo.



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Attachments

The Program for
Management Development

An Executive Education Program of the
Harvard Business School

PMD

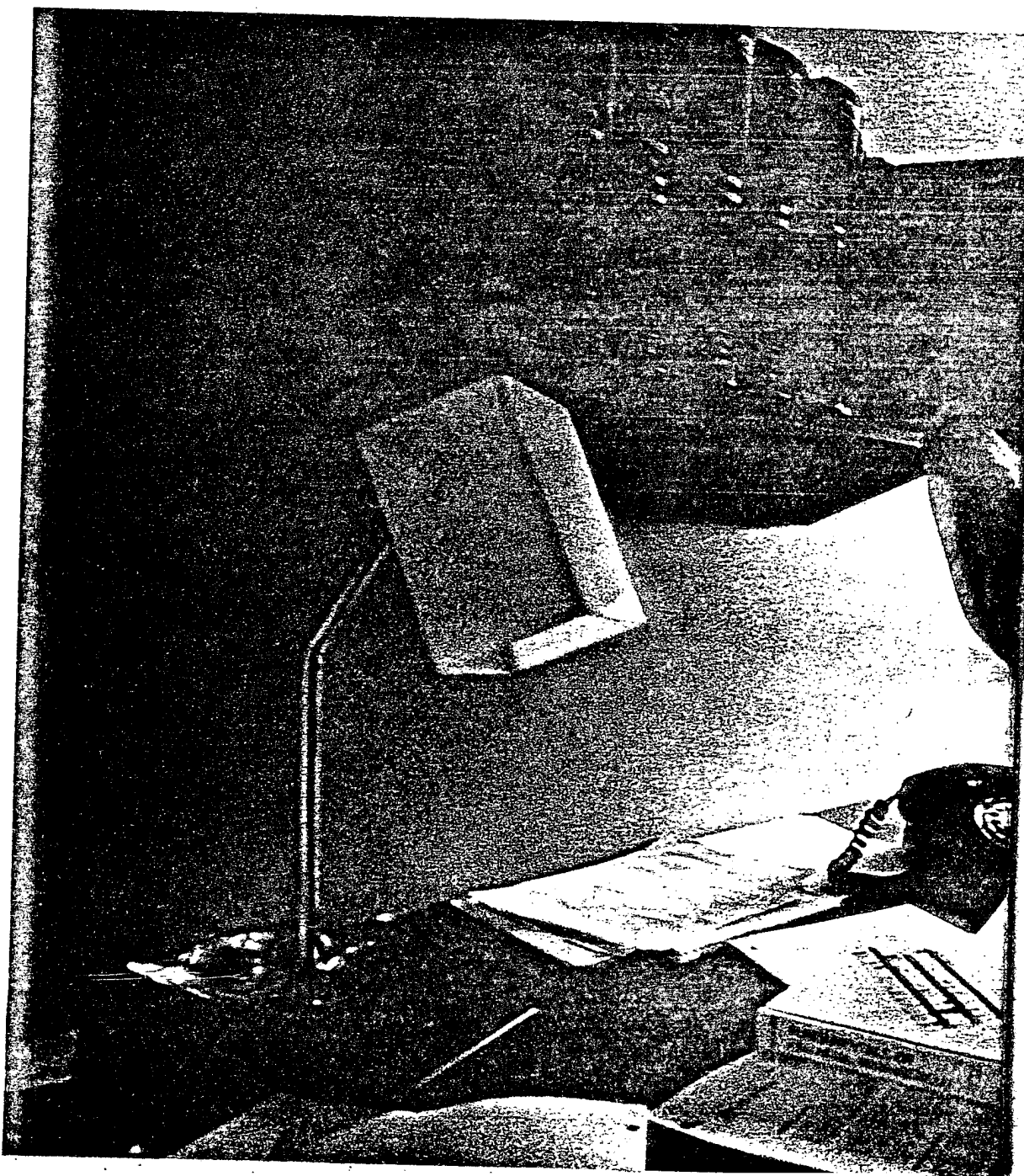
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The Program for Management Development is an intensive, fourteen week executive education program created by the Faculty of Harvard University Graduate School of Business Administration for a particular constituency of successful middle managers: those who have achieved functional expertise and whose future responsibilities in general management will demand skills and knowledge beyond that specialty. PMD is designed to

provide those exceptional managers with a program which will enable them to develop resourceful solutions to the managerial problems they will encounter as they grow with their organizations. The program is based on the concept that such well-trained managers are vital to an organization's competitive strategy.

To achieve its objective, PMD brings together the finest faculty, participants and materials in a unique educational environment. Full-time Har-

vard Business School Faculty members not only teach exclusively in PMD, but also devote their research time to the development of PMD instructional materials. In the classroom, they use a wide variety of teaching materials and techniques, primarily the case method. The case method, pioneered and continually modified at Harvard during more than fifty years of teaching, is the core of the PMD academic program.



Participants study over 250 real and diverse business situations in classroom discussions and group exercises. Both the situations and the method demand such varied skills and competencies that all participants are called on to contribute their professional expertise to complement the learning experience. Because PMD is structured so that participants learn from one another as well as from the material and the faculty, the composition of each session is particularly

important. For that reason, participants are selected to represent a broad spectrum of functional, industrial, and geographic backgrounds.

This brochure introduces the Program for Management Development and the several dimensions that set it apart from other educational programs for executives. We encourage the potential applicant or sponsor to contact the Administrative Director for more information.



The highly qualified faculty has a strong academic and business background. All PMD professors are tenured faculty members of the Harvard Business School who are on full-time assignment both to teach and to develop instructional materials specifically for PMD. Faculty members have not only made significant contributions to their particular academic areas, but also have wide practical experience as a result of directorships, consulting, and work in industry.

Faculty

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Anthony G. Athos
M.B.A., D.B.A.
Professor of Organizational Behavior

William J. Bruns, Jr.
B.A., M.B.A., Ph.D.
Professor of Business Administration

Lawrence E. Fouraker
A.B., S.M., Ph.D.
Edsel Bryant Ford Professor of Business Administration

F. Warren McFarlan
A.B., M.B.A., D.B.A.
Professor of Business Administration

A. Michael Spence
A.B., M.A., Ph.D.
Professor of Economics and Business Administration

Paul A. Vatter
A.B., A.M., Ph.D., A.M.
Professor of Business Administration

Ulrich E. Wiechmann
Dipl.-Kfm., D.B.A.
Associate Professor of Business Administration

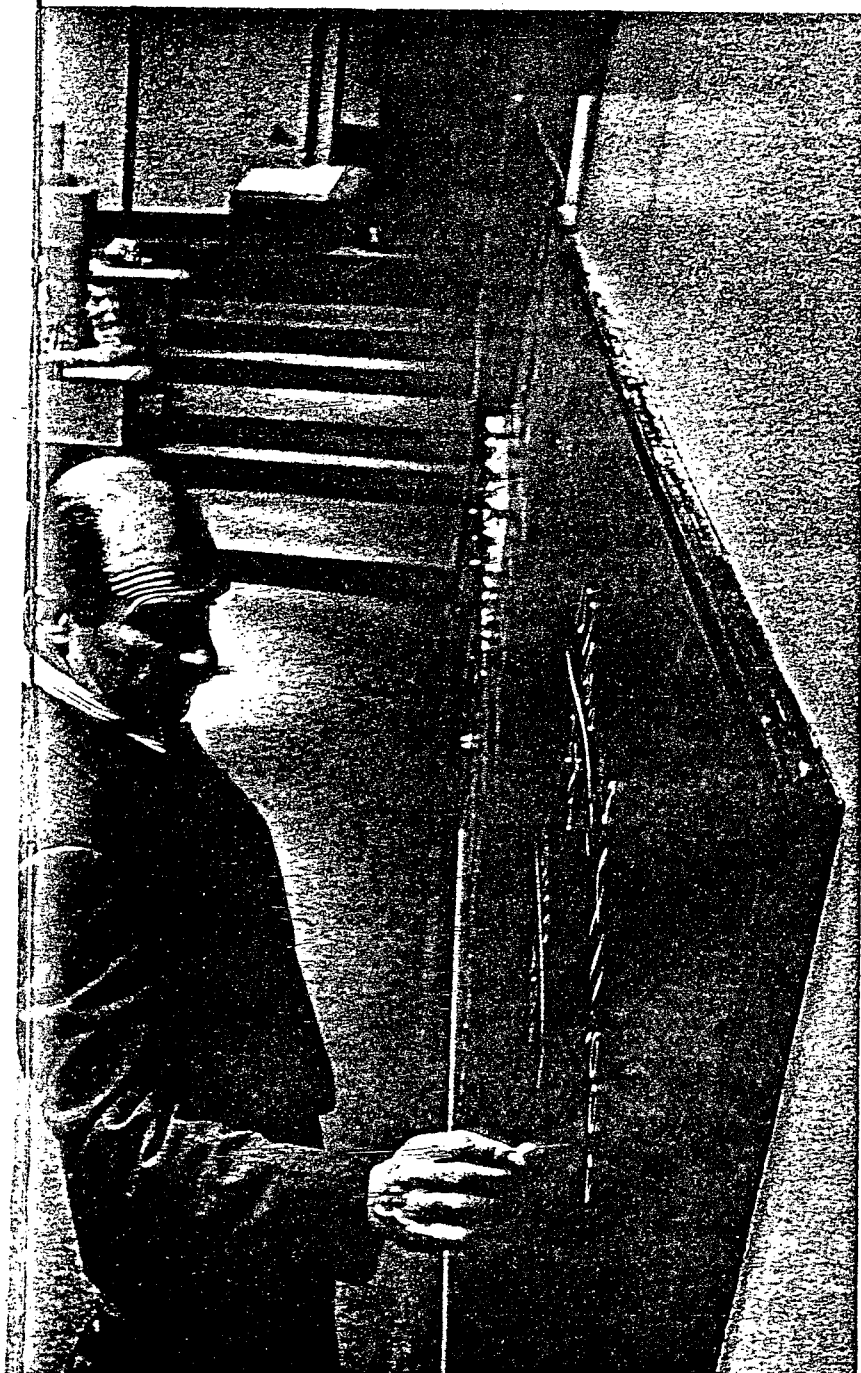
D. Daryl Wyckoff
S.B., M.B.A., D.B.A.
Chairman of the Program for Management Development and James J. Hill Professor of Transportation

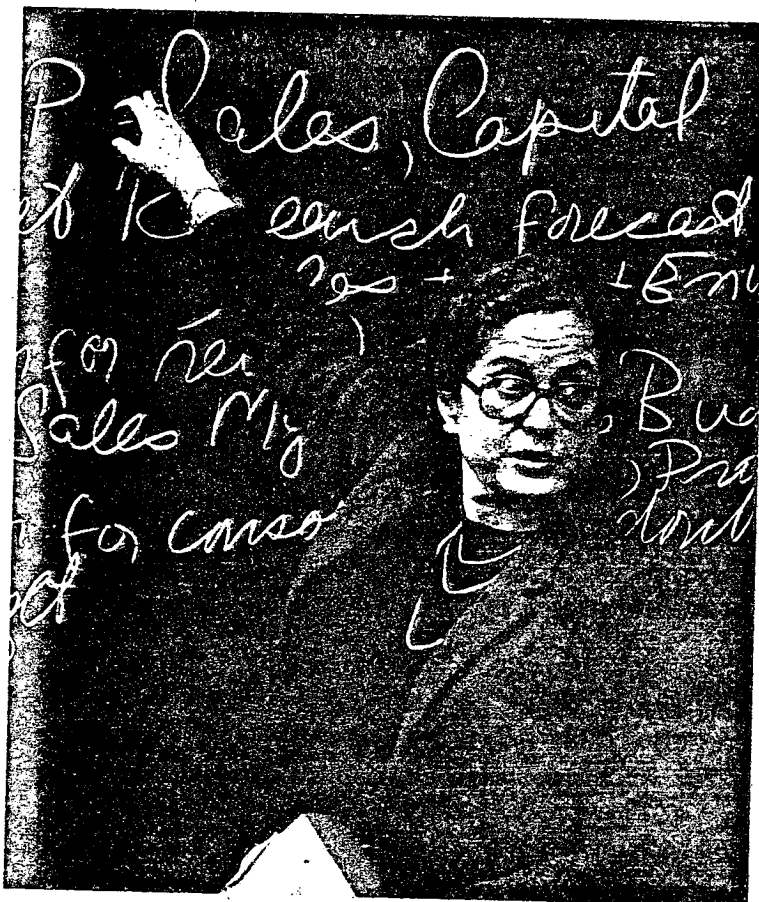
Administration

Derek C. Bok
A.B., J.D., A.M., LL.D.
President

John H. McArthur
B. Com., M.B.A., D.B.A.
Dean of the Faculty and George Fisher Baker Professor of Business Administration

James L. Heskett
A.B., M.B.A., Ph.D.
Senior Associate Dean for Educational Programs





Curriculum

PMD is committed to refining the skills a manager needs in order to make things happen. To accomplish that objective, the PMD curriculum involves participants immediately and thoroughly in the formulation and implementation of strategy. Analysis of organizational policies alone is insufficient to master the challenges presented by the PMD course material. Analysis is only the first step in the process toward a dynamic solution.

A key to that process is an understanding of the interrelationships of all functions of a business. The primary purpose of PMD is to broaden the management perspectives of participants. Although aspects of the program enable and encourage participants to develop their particular functional expertise, the essence of PMD course work is its emphasis on understanding functional interdependencies and principles of general management.

The PMD Faculty, drawing upon its own cross-functional experience, has structured the curriculum to reflect this integrative nature of business functions.

Financial Decision Making emphasizes the skills necessary to estimate a firm's financial requirements, to determine the financial sources available to meet those requirements, and to select appropriately from among those sources in the execution of a strategy. Participants analyze various forms of debt and equity capital, dividend policy, and probable reactions of the capital markets to management's tactical actions, and make decisions requiring them to balance the cost of capital with attendant risks.

In addition, participants analyze capital projects from both the capital investment and the operating viewpoints, considering capacity decisions and technology selection as well as financial options.

Control focuses on the process of measuring financial and operational activities and on the use of the resulting data for managerial purposes. The first part of the course introduces participants to basic accounting concepts currently used. It also discusses the controversies surrounding these concepts and examines proposed alternatives to traditional methods of accounting. This part of the course includes several techniques for quantitative analysis and a section on methods of cost accounting.

The second part of the course deals with the use of accounting data for the managerial purposes of motivation, performance evaluation, and decision making. The objective of the course is to train managers to use the accounting function in a powerful and effective manner.

Marketing examines the role of marketing and market planning in the corporation's overall operation. The course focuses on the following specific issues: (1) analysis of customers, competitors, and corporate strengths and weaknesses as the bases for marketing strategy decisions; (2) segmentation of markets and positioning of the company and its products in the marketplace; (3) allocation of resources to alternative products and markets; (4) formulation of internally consistent marketing programs for chosen markets; and (5) design of organizational structure and processes to facilitate the implementation of marketing strategies.

Operations Analysis and Management is a course which focuses on principles of production and operations and the analytical methods essential to the effective management of operations problems.

The course emphasizes the process of decision-making under uncertainty in an operations environment. Participants learn quantitative methods useful for generating alternatives, assessing uncertainties, and evaluating consequences in a framework that provides meaningful data for decision-making.

Participants apply these analytical methods to their studies of the operations of companies in a variety of industrial settings. The course covers such production management techniques as forecasting, inventory control, capacity planning and management, site selection, technology decisions, and project control; and it utilizes a number of pedagogical approaches, including computer simulation.

The course also develops the concept of operations as a competitive weapon, applying game theory to operating decisions. The final portion of the course deals with the crisis orientation of turnaround management.

Managerial Behavior is a course that concentrates on the human side of an enterprise. It emphasizes the interrelatedness of superordinate objectives and the strategies, structures, and systems that support and fulfill them. Participants examine the roles of

personal skills, styles of behavior, and sequences of intervention in achieving goals. The course seeks to develop problem-solving techniques that build on and enhance prior experience, and to increase the effectiveness of implementation skills. The course also explores some of the personal and family implications for managers at a mid-life point.

Business, Government and the International Economy analyzes the major economic and political forces that affect managerial decision-making in an increasingly complex international environment. Participants identify and evaluate the strategies for economic development of industrialized nations such as Japan, the United States, and the United Kingdom and of developing nations such as Brazil and Sri Lanka. The objective of the course is to provide participants with insights into the business-government interface and the impact of international economic competition on the business environment.

Electives are offered for one week during each program. Several Harvard Business School Faculty members conduct these special courses, which range from broad-based cross-functional topics to more technical specialties. The electives are usually taught by junior faculty members who are actively involved in research. The courses reflect that research and therefore change from session to session. Examples of recent elective offerings include *Legal Aspects of Marketing*, *Technology Management*, *Current Issues in U.S. Labor Relations*, and *Analysis of International Corporate Reports*.

Teaching Methods

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Harvard Business School is a leader in pedagogical innovations in management education. The Executive Education Programs use a variety of teaching techniques to engage participants actively and to sustain a high level of intellectual involvement.

Participants work in small groups during such exercises as a merger and acquisition study, a computer-based information problem, or a labor-management negotiation. They

also learn about specific management techniques and new developments in functional areas through lectures and video presentations by the PMD Faculty.

The PMD curriculum is based on the case method, a learning technique developed at the Harvard Business School more than fifty years ago and continually modified for use in its Executive Education Programs. A case represents an actual



management situation and is based on field research with business executives. The case situation described encourages the development of practical solutions to managerial problems by confronting participants with the need for decisions. Participants first prepare a case independently by identifying basic problems, isolating relevant facts, formulating an appropriate analytical framework, and generating alternative solutions. Participants then meet in small dis-

cussion groups to share their recommendations. The discussion continues in the classroom where, guided by the professor, participants defend their analyses and conclusions against the total experience of the class.

Underlying and supporting these varied techniques is the intensive ongoing research of the PMD Faculty. A major curriculum objective is to show the interrelationships among functions. PMD research efforts have been instrumental in re-

shaping the curriculum in the direction of integrated cases that approach a company's strategy from the perspective of each of the functions.

The constant re-evaluation and modification of the curriculum, the excellence of the teaching faculty, and the combined experience of the Program's participants create a contemporary and dynamic learning environment well-suited to the management development needs of PMD participants.

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Participants

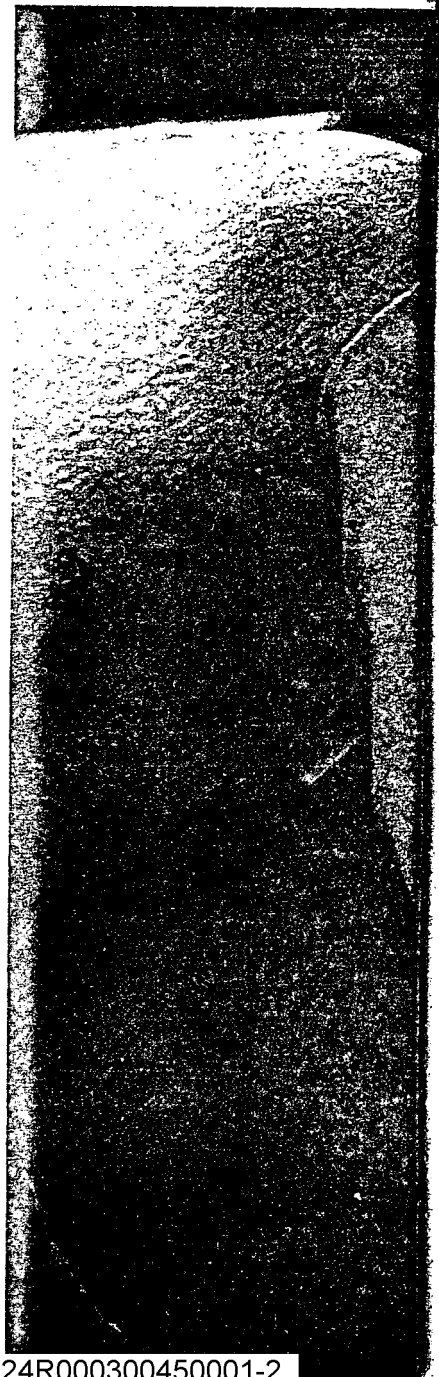
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126 managers attend each session of PMD. Two of the most distinctive characteristics shared by PMD participants are their demonstrated functional expertise and their general management potential. Most will leave PMD for assignments with broadened responsibilities. All are managers in transition, moving from positions in which they use specialized skills to those in which greater professional breadth will be demanded of them.

Although most PMD participants are managers from large companies within the private sector, some represent the public and nonprofit sectors, and a few are members of smaller organizations. About two-thirds of the participants in each session are U.S. citizens; the remaining one-third are non-U.S. citizens from non-U.S. companies. Academic background is varied. Though a few of each session's participants have no formal education beyond high school, more than half hold a bachelor's degree, and about one third of the participants in recent classes have earned advanced degrees. Among the advanced degree holders, several have had MBAs.

Participants in each session represent diverse functions, industries and geographic areas. The range of professional backgrounds in any session is varied to produce a mix of participants who can learn from each other as well as from the faculty and academic material. Most participants possess certain similar characteristics:

- > they have expertise in one or two functional areas
- > they have demonstrated marked general management potential, in the judgment of their sponsors
- > they have at least five years, and an average of ten years, of business experience, and generally range in age from thirty to forty
- > most have been with their sponsoring organization for from five to ten years, and about half have worked for only one employer during their entire career
- > most are employed by sponsoring organizations with annual sales in excess of \$100 million.



Program Schedule

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PMD is demanding. The Program includes three classes per day, plus individual and group preparation six days per week for fourteen weeks. Each session has three holidays of three to four days. A typical daily schedule is:

7:00- 8:00 *Breakfast*
 8:00- 9:00 *Discussion Group Meeting*
 9:15-10:30 *Class*
 10:30-11:00 *Break*
 11:00-12:15 *Class*
 12:15- 1:00 *Lunch*
 1:00- 2:15 *Class*
 2:15- 6:00 *Individual preparation*
 6:00- 7:00 *Dinner*
 7:00 *Individual and group preparation*

Participants put in at least a twelve-hour workday in four different settings. They first study and prepare material for the next day individually, after which they informally discuss the material with their eight suite-mates, who represent a variety of functional, industrial, and geographical backgrounds. The following morning, participants join their Discussion Groups. Each Discussion Group of nine persons meets daily, with membership rotating weekly so that each participant has the opportunity to work closely with every other participant in the Program. Finally, participants engage in more formal analysis in the classroom, led and stimulated by the faculty.

In addition to the scheduled academic activity, participants learn about a variety of industries and functional responsibilities from informal exchanges with their colleagues, and from frequent, relaxed contact with the faculty in the social settings of suite lounges and the Executive Education dining room.

The Program structure enables and encourages participants to engage in many athletic activities, including Program-organized team sports such as volleyball and basketball and individual sports such as squash, tennis, table tennis, paddle tennis, swimming, jogging, and rowing.

In sum, the pattern of PMD life during the fourteen weeks of the Program consists of a rigorous and intensive academic schedule, participation in a number of diverse and changing work groups, ample physical exercise, and social interaction.

The final three days of the Program are reserved for Graduation activities. Spouses of participants are encouraged to attend for three days of classes and informal meetings with the faculty and other participants. A high proportion of spouses (or guests) attend this important aspect of the Program. The Program participants work with the faculty and staff in planning the graduation period. Program fees do not include hotel accommodations, most meals, and miscellaneous expenses during this time.





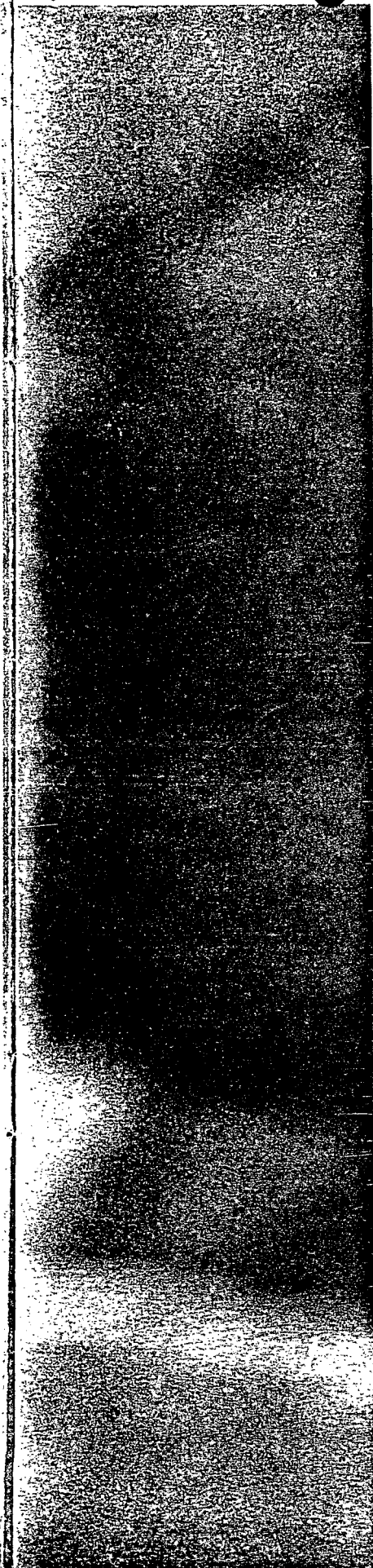
Facilities

Mellon Hall, the PMD Executive Education residence, is the focal point of Program activity. It is a residence hall designed specifically for PMD in 1975 to provide comfortable work and living space in an environment that contributes to the educational objectives of the Program. Mellon consists of fourteen room-group suites, with nine private rooms in each suite. Every suite has a conference area equipped with blackboard, screen, computer terminal, and conference table, as well as a small social area with comfortable seating and cabinet space. Each participant has a private bedroom-study, furnished linen, bed, desk, bureau, closet, light, and private telephone. Mellon also offers a large common lounge, an exercise room, a game room, a coffee bar, storage for luggage, and daily maid service.

Kresge Dining Hall, the central dining facility for Harvard Business School, provides a gracious setting and excellent food for the Executive Education Programs. Participants can arrange for special dinners, catered events, and individual diets dictated by religious or health concerns.

All PMD classes are held in Cumnock Hall, the newest Harvard Business School building, in two classrooms planned to meet PMD requirements. Participants may also use other Harvard University facilities, including libraries, bookstores, and the new athletic complex which opened in 1978.





Every participant in the School's Executive Education Programs is fully sponsored by his or her employing organization. Sponsorship involves three areas of responsibility. First, the sponsoring organization must candidly evaluate its candidate's potential for general management responsibilities as well as describe the candidate's assignment immediately after completion of the Program. Second, the organization must assume all Program fees, continue the candidate's salary for the duration of the

Program, and provide for reasonable expenses. Third, the sponsoring organization must free the participant of all work responsibilities during the Program. Willingness to invest in a candidate's executive potential indicates to the Admissions Committee that an employer considers the candidate an outstanding prospect for major increases in responsibility. The Committee will not consider an application without the employing organization's full acceptance of all the requirements of sponsorship.

Admissions

Admission is highly competitive, with more qualified applicants for each session than can be accepted. The Admissions Committee considers these factors in the selection process:

- > the level of organizational responsibility of the applicant. Typical participants have a position in middle to upper-middle management with expertise in one or two functional areas, possess five to fifteen years of business experience, and are
- generally thirty to forty years of age;
- > the potential for broadened responsibilities as indicated in the career plans provided by the sponsoring organization;
- > the ability to contribute to as well as learn from the Program;
- > the nature and commitment of the sponsoring organization. Most participants are employed by large organizations, and all are com-

pletely sponsored by their organizations.

- > the mix and balance of professional backgrounds in any particular session. To maximize the learning opportunities of each class, the Admissions Committee selects participants from a variety of functions, industries and geographic areas.

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Although there are no absolute criteria for admission to PMD, these considerations do guide the Admissions Committee. As a matter of policy, Harvard University does not discriminate among applicants and participants on the basis of race, religion, sex, national origin, color, or handicap.

If a qualified candidate has sole childcare responsibility, careful planning on the part of the individual, the sponsoring organization and the PMD administration can facilitate participation in PMD. Specific situations should be discussed with the Administrative Director.

Wait List Because not all qualified applicants can be admitted to the session for which they apply, the Admissions Committee maintains a wait list. Assignment to the wait list means that the applicant is acceptable as a participant, but that the mix of professional backgrounds in the particular session does not allow his or her admission. If there is a cancellation, the Admissions Committee selects from the wait list that person whose professional background is most like the cancellee's, thus preserving the original class balance. Wait list candidates not admitted to the session for which they have applied may be considered for the subsequent sessions, but are not automatically admitted and are not given priority status in subsequent review.



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Admissions Procedures Applications to the Program consist of two parts:

- 1 the candidate's application, to be completed by the candidate and returned to the Admissions Committee;
- 2 the sponsorship form, to be completed by the sponsoring executive and returned to the Admissions Committee.

Non-U.S. applicants must take the Test of English as a Foreign Language (TOEFL) if English is not their first language. This test is given five times a year in many cities in the U.S. and abroad. Registration for the TOEFL must be completed at least one month prior to the test date. For more information, write to:

Test of English as a Foreign
Language
Box 899
Educational Testing Service
Princeton, New Jersey 08540

Due Dates Applications and TOEFL scores, when required, for each session are due four months prior to the beginning of the session: usually the first of May for the Fall Session, which begins in September, and the first of October for the Spring Session, which begins in February. The Admissions Committee informs all candidates of their status in writing approximately six weeks after the application deadline.

Fees Program fees cover tuition, books, case material, accommodations and board. Meals on Saturday night and Sunday and during Program holidays are not included. The mandatory Class Association Dues contribute to the support of those activities—mainly social—that are planned by the PMD participants to supplement the academic program.

Preliminary Inquiries Potential sponsors and applicants are encouraged to contact the Administrative Director before submitting applications. Visits to the Business School campus while PMD is in session are also welcome, and require only a few days' notice for appropriate arrangements. For additional information or admissions discussions, please contact:

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