REORGANIZATION OF THE LEBANESE MINISTRY OF ECONOMY AND TRADE

A Research Topic
Presented To Business Division
Beirut University College

In partial Fulfillment
Of The Requirements For The Degree
Master Of Science
In
Business Management

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February, 1991
APPROVAL OF RESEARCH TOPIC

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To My Mother And Father
  Who taught me to love and give

To my Teachers
  Who handed me the weapon of life

To Ziad
  Who led me to discover myself

Sincerely
Nada
# Table Of Contents

I- Chapter I: Introduction
   A- Purpose of The Study.-----------------------------------------------1
   B- The Lebanese Ministry Of Economy And Trade.----------------------1
      a- Background.-----------------------------------------------------2
      b- Current Structure.----------------------------------------------2
      c- Available Human Resources.--------------------------------------5
      d- Employees Quality Work Life.------------------------------------7
   C- The Environmental Variables Of The Lebanese
      Ministry Of Economy And Trade.
      a- Social Variables.-----------------------------------------------10
      b- Economic And Political Variables.-----------------------------13
      c- The Lebanese Personality Variables.----------------------------15
      d- The Structural Variables.----------------------------------------16
   D- Contents Of The Study ------------------------------------------21

II- Chapter II: Review Of Literature.
   A- Management Evolution --------------------------------------------24
   B- Concepts Of Organizing ------------------------------------------27
   C- Public Management - An overview.---------------------------------35

III- Chapter III: Scope And Methodology.-----------------------------39

IV- Chapter IV: Findings And Analyses.--------------------------------44

V - Chapter V : Recommendations And Conclusion.
   A- Recommendations.-------------------------------------------------70
   B- Conclusion.--------------------------------------------------------80

VI- Appendices:
   A- Chart 1 : Current Structure of The Lebanese Ministry
      Of Economy and Trade.---------------------------------------------82
   B- Chart 2 : Recommended Structure of The Lebanese Ministry
      Of Economy and Trade.---------------------------------------------83
   C- Questionnaire Sample ---------------------------------------------84

VI- Bibliography.-------------------------------------------------------89
CHAPTER I
INTRODUCTION

A. Purpose Of The Study:
The purpose of this project is to study and analyse current efficiency of The Lebanese Ministry Of Economy And Trade operations by analysing different variables and factors, and recommend, accordingly, changes in the organization to achieve higher efficiency.

Efficiency is defined to be as reaching the maximum output with the least cost. The maximum output in our study is the maximum number of operations achieved per day.

This chapter will introduce The Lebanese Ministry of Economy and Trade in its current structure and the Lebanese environmental variables which directly affect its operations.

B. The Lebanese Ministry Of Economy and Trade:
a. Background:
The Ministry Of Economy And Trade is all that is left from The Ministry Of National Economy, after both The Directorate General Of Industry and that of Fuel And Mine Services have been separated (1)

The goals of The Ministry were defined by Law 8821 dated 28/12/1973 which specifies the scope of The Ministry operations in order to execute its missions.

(1) - Samir Hatoum, unpublished proposal submitted to The Minister Of Economy And Trade concerning a project of a third Directorate General (not dated).
The missions of The Ministry are stated as follows:

1- To coordinate with other ministries to develop the various Lebanese economic sectors.
2- Take necessary action to develop trade, and protect consumer through a general policy to maintain economic equilibrium by planning, coordination and execution.
3- To take advantage of new economic development and proceed with necessary action.
4- Working on insuring the country needs within existing laws.
5- Solve monopolistic problems and insure perfect competition market for the economic benefit especially that of the consumer. (2)

b. Current Structure:

The Ministry is constituted of: The Directorate General Of Economy And Trade, The Directorate General Of Wheat And Sugar Beets; The High Board Of Economy and The National Insurance Board (3). A new board was added by Law 7137 dated 8/2/1974 which was known by The National Board For Price Policy.

The three boards' activities are mainly consultative while the role of the two Directorates Generals is executive.

However, the mentioned boards do not exist at all now, and The High Board Of Economy has never been established.

Law 6821 has also set the structure of The Ministry Of Economy And Trade as follows:

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(2) - Law 6821, 28/12/1973, Art.1.
(3) - Ibid, Art.2.
Structure Of The Directorate General Of Economy And Trade:

The Directorate General Of Economy And Trade is constituted of a Central Directorate and other Regional Services (4).

The Central Directorate is divided into the following services:
1- The Secretarial Service.
2- The Commerce Service.
3- The Consumer Protection Service.
4- The Social Security And Insurance Service.
5- The Israeli Boycott Office.(5)

The Secretarial Service deals mainly with administrative work and is divided into:
1- Personnel and Administration Bureau.
2- Legal Studies Bureau.
3- Bureau Of Finance.
4- Cases and Claims Bureau.(5)

The Commerce Service deals mainly with domestic commerce and foreign trade, and is divided into:
1- The Bureau of Foreign Trade.
2- The Bureau of Compagnies.
3- The Bureau of Exhibitions and Markets.
4- The Bureau of Property Protection.(5)

The Consumer Protection service is responsible for protecting the consumer against fraud, unreasonably high prices and dishonest weights and measures, it is divided into:

(4) - Ibid, Art.3.
1- Weights and Measures Bureau.
2- Price Control Bureau.
3- Fraud Prevention Bureau.
4- Monopoly Prevention Bureau.
5- Prevention of High Prices and Monopolistic Markets Bureau.
6- Jewelry Bureau.(6)

The Social Security And Insurance Service, whose main role is controlling, is divided into:
1- Security And Insurance Committees Bureau.
2- Control Bureau.(6).

Finally, comes The Israeli Boycott Office whose main activity is to control dealing with Israeli products.(6).

Regional Services are located in all Lebanese Muhafazat, except for The Mountain's which is directly related to The Central Directorate (7). Those regional Services are headed by services-head who are supervised by The Director General(8).

Structure Of The Directorate General Of Wheat and Sugar-Beets:

The Directorate General Of Wheat and Sugar-Beets is divided into the following bureaus under the direct authority of The Directorate General:

(6) - Ibid, p.76.
(7) - Law 6921, Art.3.
(8) - Ibid, Art.10.
- The Secretarial Bureau.
- The Finance Bureau.
- The Production And Provision Bureau.
- The Economy Bureau.
- The Regional Bureau in The Bekaa'.

The main mission of the Directorate is to insure the country's needs of wheat and its distribution to mills and bakeries. At this stage, the General Directorate Of Economy And Trade has a very important role in controlling the price of bread sold in the market through The Consumer Protection Service. The Directorate stopped growing sugar-beets as this agricultural sector provided for very low revenues. The Directorate now imports the country's sugar needs.(9)

c. Available Human Resources:

1. Human Resources at The General Directorate Of Economy And Trade:

Tables enclosed with law 6821 show the allocation of 194 permanent jobs distributed on categories as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 employee.</td>
</tr>
<tr>
<td>2</td>
<td>0 employees.</td>
</tr>
<tr>
<td>3</td>
<td>18 employees.</td>
</tr>
<tr>
<td>4</td>
<td>13 employees.</td>
</tr>
<tr>
<td>5</td>
<td>27 employees.</td>
</tr>
</tbody>
</table>

To be added 80 employees in category 3, and 33 controllers recruited by Law 7425 dated 18/03/1974 to work temporarily at The Ministry, besides 5 part-timers and 6 hired workers. That makes a total of 318 employees.

(9) - Mustafa Shehadeh, Temporary Secretarial Bureau Head, Interview conducted in The Secretarial Office At The Ministry Of Economy And Trade, November 30, 1990.
A total of 140 jobs out of the 190 permanent ones are currently vacant. This number exceeds 2/3 of the total of permanent jobs. They are allocated as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Specified # of employees</th>
<th>Vacant Places</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Category 2</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Category 3</td>
<td>19</td>
<td>8</td>
</tr>
<tr>
<td>Category 4</td>
<td>139</td>
<td>72</td>
</tr>
<tr>
<td>Category 5</td>
<td>27</td>
<td>23</td>
</tr>
</tbody>
</table>

Mainly, category 1 and category 2 and half of the category 3 are vacant.

There is no stable policy for the assignment of employees in these vacant places. For example, we can notice that 4 positions in category 4 are temporarily assigned to employees from category 3. On the other hand, the remaining one is assigned temporarily to an employee who is actually an employee at The General Directorate Of Wheat And Sugar Beets.

There is no specific job for controllers who are part of The Consumer Protection Service. They are mainly assigned to different vacant jobs. (10)

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(10) - Khalil Nakib,(Unpublished study submitted to the Minister Of Economy And Trade"Towards more efficiency in the Ministry of Economy and Trade",July 1990),p.6
2. Human Resources At The Directorate General Of Wheat & Sugar-Beets:

Employees working at The Directorate General Of Wheat And Sugar-Beets are either permanent employees, temporary employees, permanent workers, controllers or part-timers. Total number of employees is 96 allocated as follows:

- Permanent Employees: 16
- Temporary Employees: 58
- Workers: 18
- Controllers: 2
- Part-timers: 1

Late studies showed the existence of 25 vacant jobs out of 41 as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Specified# of employees</th>
<th>Vacant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Category 3</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Category 4</td>
<td>25</td>
<td>17</td>
</tr>
<tr>
<td>Category 5</td>
<td>7</td>
<td>4</td>
</tr>
</tbody>
</table>

It's noticed that the vacant places exceed half of the total number of required employees. Most of the vacant places are found in categories 4 and 5 (11).

d. Employees’ Quality Work Life:

Employees in both Directorates are subject to the actions of the Legislative Decree # 112, 1959 which is mainly concerned with personnel matters, regarding employment, salaries, fringe benefits, leaves, promotions and resignations.

(11) - Ibid. p.9.
Those actions were executed by The Civil Commission Service which is no more active by The Resolution no.2 dated 07/12/1989. This is why at the time being, there is no recruitment of any new employee at The Ministry or any other Ministries. The Civil Service Commission was established in 1959 to be in full charge of personnel functions of the public institutions (12). It had mainly two basic functions: administering the laws and regulations and governing the appointment, compensation, promotion, transfer and personnel matters of civil servants and improving their performance especially by providing them with Pre-And-Post entry training (13).

Unfortunately, today, The Civil Service Commission is not achieving any of its missions. Consequently, this has created a lot of problems and gaps in public institutions (14).

C. The Lebanese Environment:
As for the environment in which The Ministry Of Economy And Trade operates, it is divided into four parts: the social environment, the political and economic environment, the cultural environment, and the structural environment of The Ministry.

(12)- Iskandar E.Bashir, Civil Service Reforms In Lebanon, American University Of Beirut, Beirut 1977, p.1
(13)- The Lebanese Republic, The Civil Service Board "Legislative Decree No.114, Establishment Of The Civil Board, June 12,1959", The laws and regulations related to personnel, Pre-And-Post entry training, and specialization abroad, Beirut 1967, Provision 2, p.46.
(14)- Adel Noureddine, Temporary head of The Economic Bureau, Interview conducted at The Directorate General Of Wheat and Sugar Beets, August 8,1990.
We will go through each part, studying and analysing the constituting variables and the effects they have in order to understand and evaluate better the current position of The Ministry.

"Every organization must exist in some context; no organization is an island unto itself. Each must continuously interact with other organizations and individuals. More significantly, however, each organization has goals and responsibilities related to others in its environment" (15).

To study the environment of The Ministry of Economy And Trade, we will limit our analysis to 4 subsystems, mainly the social and educational, the political and economic, the cultural, and the institutional subsystem.

a-The social Variables:

A person interacts with his geographic environment and its history. This interaction will lead to specific characteristics of the social environment in which people live. Consequently, those characteristics play an important role in defining that person actions. In Lebanon, we will summarize those characteristics into three basic institutions which play a big role in affecting a person actions: family, religion and education (16).

To begin with, family proved to be a basic institution in the Arab and Lebanese world, where studies showed that the family affects to a great extent its individuals (17). Whenever there is conflict between the family and the society, individuals choose to satisfy their family requirements (18).

Studies have shown that the Lebanese employees in general are affected to a great extent by their families. This is clear when employees try to escape responsibility because it was the father who made decisions at home and not them. Besides, employees try to satisfy their family needs prior to the fulfillement of their job requirements (19).

(16) - Khalil Nakib, Bureaucracy And Development (Al Bureaucratieh Wal-Inmaa'), Dar Al-Inmaa' Al-Arabi, Beirut 1976, p.37
(18) - Ibid, p. 156.
(19) - Nakib, Bureaucracy And Development, p.40.
As for religion, Lebanese society is a place where 16 different religious groups are interacting. Two main religions exist: Islam and Christianity. The Muslims are known to be more traditional and conservative because they abide by the "Quoraa'n" as a reference to their lives. On the contrary, Christians are more open to the Western Culture because they do separate religion from their lives (20). This is mainly reflected in the person's actions and behavior where its characteristics as an employee or a leader lead him to different actions vis-a-vis the institution (in our case The Ministry) to which he belongs.

A consequence of the variety of religious sectors in Lebanon is The Political Sectarianism which can be defined as a system of proportional representation in all branches of the government based on sectarian affiliation (21).

The effect of sectarianism in administration and personnel practices fall into the following headings:
1- Poorly qualified personnel.
2- Continued increase in the number of public employees.
3- Strong political interference.
4- Weakened internal control.
5- Divided loyalty. (22)

(20) - Ibid, p.41.
Finally, education is also a very important social factor involved mainly in development. Statistics showed that private education dominate public education creating a kind of non-cooperation between educated people due to the difference that exist between private and public educational philosophies (23). The educational system, relying more on memory than intelligence, inhibits initiative in work and leads to irresponsible behavior by the employees. (24)

Social life is getting more complex due to the conflicts evolving from The Lebanese Civil War. The Ministry Of Economy And Trade is subject to all those conflicts and consequences .

(23) - Hisham Nashabe, "Needs And Educational goals" in Goverment AndDevelopment In Lebanon , Dar El-Elm LiLmalayin, Beirut 1966, pp.69-70.
b. Economic and Political Variables:

As we all had witnessed the Lebanese Civil War in 1975, we are aware of the deterioration of the political situation as well as the economic one.

Currently, eight political parties are sharing power, political influence and government revenues in all the Lebanese regions. These parties influence all the Government institutions affecting work operations and efficiency as well.

The weakness of these Lebanese political parties lies in the following:
Most of them have secterian tendencies, they do not have a comprehensive national base. Most of their leaders are the leaders of political feudalism in Lebanon. Most of them are 'person' parties with 'Blind' loyalty to the leader and not to an ideology. These parties are idealistic and not realistic in their goals. The faithful devoted leadership is not found in these parties. There is a divorce between principles and actions with no commitment of the party to resolutions or principles. These parties are self-seekers and opportunists in trying to reach power. There are no practical well studied party programs in case they gravitate to power.

Finally these parties have created in their members an extreme type of partisanship that makes it difficult to cooperate with other groups and to be more egoistic(25). This is reflected negatively on public institutions operations where politics always interferes as it will be mentioned in later chapter.

The conflicts existing between active political Lebanese parties had created walls between the Lebanese regions and negatively affected the economy. The deterioration of the economy is illustrated in the deterioration of the Lebanese Pound vis-a-vis foreign currencies and the high inflation percentage in the market.

The political separation of Beirut into western and eastern sectors led people to go back to their initial locations leaving their work at the west side for example and finding another one on the east side or they come to work only at the end of the month, or they send somebody else to get their salaries. The later situation is mostly dominant in the public institutions where no control is seen at all (28).

The deterioration of the political and economic situations has created a struggling condition for all private and public institutions. Companies were struggling for a maximum profit by minimizing their cost especially when this is related to employees. Public institutions are following for example a "takashuf" policy (27). Salaries are not enough to cover life necessities. Most employees are dissatisfied with what they get. They lost the least motivation for work and they have no sense of loyalty to the institution in which they work (28).

(26) - Ahmad Nahleh, Controller, Interview conducted in The Directorate General of The Ministry Of Economy And Trade, August 8, 1990.
(27) - Ibid.
(28) - Ibid.
The political and economic situation changed drastically since 1975 and led to a great change of the work environment specially in the case of public institutions such as ministries.

c. The Lebanese Personality Variables:

Personality is a consequence of a continuous social interaction. Studies have shown that The Lebanese are characterized mainly by their independence and their great confidence in themselves. They are trying all the time to show themselves as capable of doing anything, and that they are very responsible. Consequently, they show a lot of aggressiveness toward criticism. Eventhough Lebanese enjoy their independence, they aspire to belong to certain social groups which contradicts their upbringing. Consequently, Lebanese tend to do anything, whatever is the way, in order to prove their personality. This has affected negatively the Lebanese administration. An employee accepts whatever kind of reward for doing a favour which contradicts with his job principles. The Lebanese employee views everything around him from his own point of view which might or might not agree with or benefit the public point of view or needs.(29).

(29) - Nakib, p.58.
The Lebanese personality is getting worse in the way described above due to the increase of the number of groups existing to which a Lebanese may belong such as religious parties, political parties or family; besides, the deteriorating situation, politically and economically led Lebanese to think more about their own benefit as they want to survive now more than anytime in the past (30).

The Structural Environment Subsystem Of The Ministry:

The structural environment of The Ministry is the most complicated one.

The Ministry Of Economy and Trade, similar to all ministries in Lebanon, is headed by The Minister, who is constitutionally entrusted with the powers of administering his ministry (31). However, The Minister is a political figure, that is he is not one of the bureaucracy of the ministry (32).

The Ministry Of Economy and Trade is divided into two Directorates General, The Directorate General of Economy And Trade and The Directorate General of Wheat And Sugar-Beets besides regional services. The Directorate General Of Economy And Trade is subdivided into services which in turn are divided into bureau and sections; while The Directorate General Of Wheat And Sugar-Beets is only subdivided into bureau and sections. Directorates and services may be created or dissolved by a law, bureau by a Legislative Decree approved by The Ministers Board(33) (See Chart 1.).

(31)- Youssef Jammoul, Temporary Secretary of Bureau Head, Interview conducted at The General Directorate Of Economy And Trade, November 30, 1990.
(32)- The Lebanese Constitution, Art.64.(Specifies that : Ministers shall administer the services of the state and the application of laws and regulations, each within his department and in so far as he is concerned).
(33)- Legislative Decree No.111, 12/06/1959, Art.2, Sec.1.
(34)- Ibid, Art.2, Sec.2.

-18-
Employees working at The Ministry are divided into 5 categories. Directors General belong to category I. Most of the time, The Minister delegate his authority to the Director General. This delegation may differ according to the personal relations between The Minister and the Director General. The Director General is the most powerful person in the ministry, since he remains there, unlike The Minister who has other political responsibilities, that is he bears the higher responsibilities.(34).

Category 2 includes managers and services managers; category 3 includes bureau heads; category 4 includes administrators and category 5 includes office boys, workers, maids, drivers and gatemen (35).

Employees are divided into three types: permanent employees, temporary employees and hired employees. Before the civil war that started in 1975, public employment was directed by The Civil Service Commission. There was an entrance exam to be passed except for category I employees who are chosen from the 3 highest grades of category 2 or recruited from outside the bureaucracy by The Council Of Ministers and after consultation with The Civil Service Commission. This policy is applied only when there is vacancy in category 1 (36).

(34) - Nakib, Dissertation, p.83.
(35) - Legislative Decree No.112, 12/06/1959, Art.3, Sec.1 .
(36) - Ibid, Art.12.
Every applicant for a job in The Ministry should abide by the following conditions:
1- He should be Lebanese for at least 10 years.
2- His age should be at least 25.
3- He should not be above 35 for those applying to categories 5 & 4.
4- He should present a medical report that he is healthy.
5- He should present a police record showing no commitments.
6- He should present his certificates, diplomas or degrees.
Besides those conditions mentioned above, others may be required in different ministries (37).

There are three types of promotion: Gradual advancement, advancement and evaluation (38).
Gradual or automatic advancement is granted to every employee every two years by promoting him one grade within his category. While advancement gives the employee six months advantage so as to be promoted in 18 months instead of 24 upon a recommendation by the Minister. This policy has not been implemented since it became a law in 1959. The third aspect of promotion is to elevate the employee from a certain position in one rank to another position in an immediately higher rank (39). The Civil Commission Service should approve this.

(37) - Ibid, Art.7, Sec.5, amended.
(38) - Ibid, Chapter 5.
(39) - Nakib, Dissertation, p.77.
Adnan Iskandar finds four major weaknesses in this policy:
1- Promotions are made between ranks and between the top three categories regardless of the existing vacancies. What happens is that promoted employees are given new titles and new salaries although they are still occupying the same position and performing the same duties.
2- Appointments to the top categories are almost exclusively made through promotions from within. This policy might exclude from the top badly needed new blood.
3- No guarantees that the recommendations made for promotion are based on merit and comparative performances.
4- Promotions are mostly limited to within the ministry or the department with no government-wide opportunities to move from one department to another (40).

Other major discrepancies lie in the salary policy:
1- Salary scale is not based on a systematic analysis, more on educational qualifications than on the nature of work.
2- Low level of government salaries as compared to private industry.
3- Automatic salary increases which are granted indiscriminately and not on merit. This creates an indifference of employee to work harder (41).

Besides salary, an employee is given family allowances, rewards of disability or death. Those are classified as fringe benefits in addition to annual and sick leaves and holidays (42).

(40)- (Adnan Iskandar), quoted by Nakib, p.87.
(41)- Ibid, p.88.
(42)- Ibid, p.89.
As for training, training programs were divided into post-entry training and In-Service training. These programs were prepared after the establishment of The National Institution For Administration And Development, similar to the one established in France (43). The main aims were to accommodate people for certain administrative positions, to organize meetings and researches (44).

The training program was too general and doesn't relate with the job itself, rather than it exposes main problems faced by the administration which would be discussed in order to be solved (45). That is an employee is not trained to fulfill his job, and here we may have problems.

Also, mentioning the structural variables in The Ministry is the way laws are applied in administration. This induce a lot of details and formalities which lead to routine work and formal administration and to irresponsability of employees (46).

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(43) - Ibid, p.89.
(44) - Ibid, p.89.
(45) - Ibid, p.91.
The social environment, the political and economic environment, the cultural environment, and the structural environment, all have changed to a great extent since 1975. This has led to the change of the work environment at The Lebanese Ministry Of Economy And Trade. Rules and goals of The Ministry were all specified by Law number 6821 in 1973. Employment rules which were applied at The Ministry were defined by The Legislative Decree number 112, 1959, and executed by The Civil Commission Service currently inactive, that were set before the war when the environment knew a period of prosperity and peace. Whereas now, everything has changed tremendously, and to maintain a good level of efficiency, as modern management requires we must follow different strategies to meet the changing environment in all its subsystems.

D. Content Of The Paper:

Chapter II of this research will go over a literature review regarding Management Evolution and Organization besides a literature review on public administration and public management; mainly stressing the differences between private and public organizations. Those differences will be taken into consideration while studying and analysing the findings and facts in The Lebanese Ministry Of Economy And Trade and while suggesting recommendations.

The methodology and scope of the paper will be explained in chapter III. This will include interviews done at The Ministry and the questionnaire distributed to the employees.
Chapter IV is the core of the research where findings are stated and analysed regarding the role of Ministry, its internal structure, the managerial role, the administrative authority and leadership practices, planning and decision making, work incentives...

Chapter V is the concluding chapter summarizing results and suggesting recommendations.

To summarize, The Lebanese Ministry Of Economy And Trade is a public organization which was subject to a remarkable change in its environmental variables internally and externally. Modern management believes that for an organization to maintain a certain level of efficiency, it must change along with the environment, that is, managers must follow different strategies that may differ from one situation to another.

In this research, we would go over the internal and external variables which affected The Lebanese Ministry Of Economy and Trade's operations in order to reorganize them to meet the changing environment and reach a higher efficiency.
Chapter II
REVIEW OF LITERATURE

The purpose of this chapter is to highlight different management theories that were developed since 1500's and to introduce "Organizing" as a function in order to justify the title of this research which is "Reorganization Of The Lebanese Ministry Of Economy And Trade". This chapter will also highlight some specifications of public management through a comparison between private and public organizations.

A. Management Evolution:

The Ministry is an organization constituted of physical and human resources arranged and managed in a certain way in order to carry plans and achieve objectives. Management of human resources in an organization developed since 1500's.

At the beginning, Machiavelli suggested two basic approaches to people (47) where he differentiated between leading by love and respect and leading by threatening.

The industrial evolution in the United States led to a need for greater efficiency in production and thus the development of a more scientific approach to manage and organize workers (48) to increase production if it was to meet the population growth of the period. At this stage, Classical theory was developed. It emphasized mainly the economic rationality of employees at work (49). This theory sees employees as irresponsibles, who need continuous control and supervision besides being motivated by economic incentives to increase efficiency and productivity. Three schools come under this theory: The Scientific School, The Administrative School and The Bureaucratic School.

The Scientific School emphasized the elements of job at work and how to allocate, scientifically speaking, employees to a specified job and the importance of training in such procedure (50). The Administrative School dealt more with the operations of the total organization in combining jobs and people in the most efficient way (51). Finally, the Bureaucratic School, elaborated by Max Weber, mainly looked for rules to eliminate managerial inconsistencies and ineffectiveness (52).

(48) - Ibid, p.40.
(49) - Ibid.
(50) - Ibid, p.41.
(51) - Ibid, p.43.
(52) - Ibid, p.45.
such rules are the division of labor by functional specialization, well defined hierarchy of authority, rights and duties of employees, procedures for dealing with work solutions, impersonal relations between people and promotion, and selection based on technical competence(53).

The classical theory was criticized by its outgrowth of conditions of that time, and that with the new conditions evolving and the new aspirations of people, we need a new theory.

The Neo-Classical theory or Human Relations approach emerged. It emphasized the social needs of individuals(54). The social view emphasized social needs as a motivation to work. This is because employees are supposed to bring with them to work, their feelings, their attitudes and their emotions and that they have their own concept of the level of output. The theory explains that employees prefer their own group concepts than those of management.

Afterwards, Behavioral Science approach evolved emphasizing the self-actualization view where employees' motivation falls into categories as per Maslow's hierarchy of needs, beginning with survival and safety needs, social needs, self-esteem needs, independence needs and self-actualization needs, going from bottom to top(55).

(53) - Ibid, p.45.
(54) - Ibid, p.48.
(55) - Ibid, p.52.
Behavioral Science approach described employees as mature, self-motivated and self-controlled, reacting negatively against imposed control, and that if they are allowed to be self-actualized, they would integrate their goals with those of the organization.

Management Science theory followed emphasizing the use of quantitative techniques to aid managers in making decisions. This theory proved to be limited where a big deal of managerial process can not be quantified(56).

At the end of this evolution, Modern Management theory developed. Organization was seen as an open system where managerial actions must be set up on a contingent basis(57), that is there is no single best way to manage. Decision must be based on all relevant facts existing inside and outside the organization.

Reaching this point, we may have noticed that all those theories were looking for a best way to reach mainly higher efficiency, that is to produce the maximum output with the least cost. The last theory proved that there is no best way to manage. We must study all the variables existing and interacting inside and outside the organization before making any decision.

(56) - Ibid, p.53.
(57) - Ibid, p.55.
B. Concept Of Organizing:

All managers make decisions. They are head of their organizations. Organizing is their second duty. Organizing is defined as the process of arranging people and physical resources to carry out plans and accomplish organizational objectives(58).

Organizations are characterized by explicit objectives. They have an elaborate system of rules and regulations, a formal status structure with clearly marked lines of communication and authority(59).

Organizational activities for small businesses are relatively simple. Few workers are employed and few operations are managed. However, as the size of operations grow, the need for structuring activities increases. Increased organization size and a larger number of employees permit specialization or division of labor which means concentration on one or on a small number of activities in order to increase efficiency(60).

Departmentalization which permits the organization to realize the benefits of specialization is, by definition the subdividing of activities and responsibilities areas within the organization. Departmentalization is executed according to five divisions as follows: Function, geographical area, kind of product, type of customers and processing period(61).

(58) - Ibid, p.218.
(59) - Ibid, p.219.
(60) - Ibid.
(61) - Ibid, pp.219-220.
Eight main concepts are very important to state about organization. These are as follows:

1- The unity of command concept:

The unity of command concept states that each organizational member should report to only one supervisor for any single function. When several persons are giving orders the potential for conflict, divided loyalties, and confusion exists. Although the unity of command principle is a widely accepted management axiom, it is frequently violated in complex organizations where different parties are interested in one individual's performance. The critical problem here is to recognize where such conflicts may arise (62).

2- The Span-Of-Management Concept:

The span-of-management concept refers to the number of subordinates a person can effectively manage. Although there is a general agreement that there is a limit to the number of subordinates a supervisor can effectively supervise, manage or control, no agreement exists on the precise number. The critical factors in determining the appropriate span of control are the type of work, ability of the manager, degree of interdependence among units, and degree of training of subordinates (63).

(62) - Ibid, pp. 220-221.
(63) - Ibid, pp. 221-222.
3- The organizational structure:

The organizational structure indicates how authority is delegated within the organization. We differentiate between tall versus flat organizational structures. A tall organizational structure indicates a great number of different management levels where authority is delegated from top to bottom. On the contrary, a flat structure indicates a reduced number of management level, where every manager has his own authority in his own department. Investigations have shown that people are more satisfied with the flat structure because it tends to produce greater autonomy, responsibility and initiative (64).

4- Coordination concept:

Coordination is an important need in any organization, particularly large, complex ones. Rensis Linkert argues that managers serve as linking pins between the groups they manage and the higher-level groups to which they report. These overlapping managers can play important roles in achieving coordinative efforts of different departments (65).

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(64) - Ibid, pp. 222-223.
(65) - Ibid, pp. 224-225.
Authority concepts:

Critical to the success of the organization is the development, coordination and communication of the authority relationships that exists at each level. These relationships are determined by such concepts as the exception principle, delegation of authority, the scalar principle and consideration of centralization versus decentralization.

The exception principle states that managers should permit their subordinates to make routine, recurring decisions, and that only unusual or highly important problems should be referred to higher levels in the organization.

Authority is the legitimate power a manager possesses to act and make decisions in carrying out responsibilities. Responsibility is the obligation of the manager to carry out assigned duties. Delegation of authority is the assignment of authority and responsibility to subordinates. Accountability is the act of holding the subordinate liable for performing those activities for which he or she has been delegated the necessary authority and responsibility.

The scalar principle states that authority and responsibility should flow in a clear unbroken line from top management to supervisory levels (66).

Delegation of authority is an individual process between a superior and a subordinate. It is a way of sharing power. If managers in a firm tend to delegate considerable authority and responsibility, more decisions are shifted to lower levels in the organization. Supervisory and middle managers in such firms possess considerable influence in making major decisions. In these cases where managers disperse considerable amounts of authority to subordinates, the organization is considered to follow a managerial philosophy of decentralization. The other case is the contrary one, when managers retain most of the authority, depending upon subordinates to implement assignments. This practice is referred to as centralization.

The centralization - decentralization issue is a fundamental organizational decision. It is not a simple choice, since both alternatives possess advantages and disadvantages.

Decentralization tends to encourage innovation and decision - making experience where a lot of talents may be discovered between subordinates and lower level managers.

The centralization - decentralization issue depends also on the nature of business. Industries for example use the centralization issue, while in more dynamic firms decentralization has proved to be more efficient (67).

(67) - Ibid, p.228.
8- Line and staff relationship:

Three types of authority exist in the organization:

a- Line authority is the relationship existing between a supervisor and a subordinate. It flows simply and directly. It relates specifically to the unity-of-command and the Scalar principles.

b- Staff authority, advisory in nature, allows managers and subordinates to conduct investigations and give advice to the line manager. However, they do not possess the necessary authority to implement recommendations.

c- Functional authority is the power to direct or require certain procedures, policies, or specific practices in other departments not under the direct supervision of the person or department possessing this authority.

The term staff is typically used to refer to those individuals assisting managers in the performance of their basic production marketing, or financial functions. The latter managers are called line managers because they form a part of the main line of authority that flows throughout the organization.

Staff personnel or departments emerge for two common motives: expertise and economy, since they offer managers the help and the advantage of expert, objective opinion which managers may lack in some aspects of their job (68).

(68) - Ibid, p.232.
Organizational design concept:
Organizational design can be viewed historically in terms of three periods: classical, neoclassical, and modern, respectively to the development of management theories mentioned at the beginning of this chapter.

Classical organization theorists focused their attention on formal structure and the use of authority.

The neoclassical theorists focused on new problems of their age regarding management - employee relations. They brought up the informal structure of the organization out of behaviorism ideas.

Finally, modern theorists attempt to view organizations as open to a wide variety of external variables included the impact on organization design of technology, culture, government social change and political structure (69).

8- Work schedules concept:

There are three types of work schedules in an organization:

a- Flexitime is a work scheduling system that allows employees to set their own work hours within constraints specified by the organization.

(69) - Ibid, pp.233-234.
b- Compressed work weeks is one in which workers spend fewer days on the job but work approximately the same number of hours. This scheduling has certain advantages as giving more personal pursuits, energy savings and improving employee morale which may lead to better productivity and reduced absenteeism. However, it has also some disadvantages such as increase moonlighting, physical exhaustion and lethargy during long workdays.

c- Job sharing refers to the division of one job assignment among two or more persons. This would secure the efforts of two people rather than of a single worker. There is increase in productivity in such case but this type of work scheduling is limited to areas where job assignments can be easily divided and where limited training is required (70).

As we notice, the organizing process is a very difficult process that requires a lot of study and expertise. The precedent paragraphs have given a general view about organizing and some historical background of the evolution of management theories for the purpose of highlighting the process of reorganizing The Lebanese Ministry Of Economy And Trade, our research area.

(70) - Ibid, pp.235-237.
C. Public Management - An Overview:

The Lebanese Ministry of Economy and Trade is a public organization that requires specific management. By definition, an organization is a kind of system(71), that is "a regularly interacting or interdependent group of items forming a unified whole(72). Those items differentiate between public and private organization. These are divided into three main groups:(73)

1- Environmental factors.
2- Organizations - Environment transactions.
3- Organizational roles, structures, and processes.

The environmental factors can be summarized as follows:

a- A public organization is owned and funded by government. Consequently, there is less tendency for cost reduction and less efficiency in operations.

Besides, the absence of economic markets for outputs lead to a lesser availability of market indicators and information (73).

(71) - Cleland And King, p.61.
(72) - Ibid, p. 31.
b- A public organization is subject to intensive legal constraints. This gives more tendency for formal administration and greater fragmentation of authority sources (74).

c- Public organizations are subject to intensive political influence which affects decisions and actions (74).

Due to those environmental factors mentioned above, public organizations transactions are affected in different ways. Public organizations and managers are often involved in production of public goods or handling of significant externalities. Besides, government activities are often coercive and monopolistic or unavoidable because the government is often the sole provider. Another effect is that government activities have often a broader impact and greater symbolic significance; there is a broader scope of concern such as for general public interest criteria. Also, there is greater public security of public managers and unique public expectations for fairness, responsiveness, honesty, openness and accountability (74).

(74) - Ibid, p.232.
As for the third part, about the organizational roles, structure and processes, many distinctions about public organizations were noted as follows:

a- Goals are mainly ambiguous, multiple and might be conflicting, for they have no real values and there is diversity in constituencies and political authorities (75).

b- A managerial role requires more functions such as more political, expository role involving more meetings, more interventions by external interest groups and political authorities, more crisis management and "fire drills", more of a challenge to balance external political relations with internal management functions (75).

c- Due to institutional constraints and external political influences, public managers have less decision-making flexibility and they have weaker authority over subordinates and lower levels. A frequent turnover of top leaders is present due to elections and political appointments which causes more difficulty in implementing plans and innovations (75).

d- Public organizations are subject to more red-tape and more elaborate bureaucracy (75).

(75) - Ibid, p.233.
e- Strategic decisions processes in public organizations are similar to those of other organizations except that they are subject to interventions, interruptions, and involvement of external authorities (75).

f- Employees in public organizations are subject to greater administrative constraints. They perceive a weaker relation between performance and extrinsic rewards such as pay, promotion and job security (75).

g- Public managers and public employees have lower value of monetary incentives and higher levels of public service motivation (75).

h- There is mixed evidence that public organizations and employees are less cautious and non-innovative, that they tend to be less efficient in providing services than private counterparts (75).

As we have noticed, all these distinctive features of public organizations are mainly consequences of its nature as government owned subject to great outside influences and externalities.

(75) - Ibid, p.233.
chapter III.

Scope And Methodology

The purpose of this chapter is to specify the scope of this research and interpret the methodology by which information were gathered. This would include interviews conducted in the work field, that is at The Ministry of Economy And Trade offices, besides detailed justification of the questionnaire prepared and distributed on a certain sample which will be defined as well.

The scope of this research is to reorganize The Lebanese Ministry Of Economy And Trade in order to reach a higher level of efficiency. This is mainly related to four basic things: the environment in which the ministry operates, the laws by which all work's operations are specified, the internal structure of the ministry and the employees' quality work life.

In the first place, a questionnaire had been prepared after looking over samples done in similar studies. The questionnaire was presented to both Messrs Raji Bs at and Emile Jebara, Acting General Directors of the Directorate General of Wheat and Sugar Beets, and of Economy and Trade at the Ministry respectively.
Mr. Bsat said that such a questionnaire is entitled to study public employment problems in general while we are here to test The Ministry Of Economy and Trade's efficiency, search for basic problems and reorganize it to reach a higher efficiency.

Mr. Bsat suggested some names of some managers working at the Ministry with whom interviews may provide us with a big deal of information after which another questionnaire may be prepared based on the results achieved.

Hence, interviews were held in both directorates general, The Directorate General of Wheat And Sugar Beets, and The Directorate General of Economy and Trade.

Mainly, one central question was asked during the conducted interviews which is to state the major problems that must be solved in order to reach a higher efficiency in work at the Ministry.

Replies differed according to the interviewee's position, knowledge and expertise. At the end of the interviews, a summary has been prepared and presented along with the new questionnaire repurposed to Mr. Bsat. Approval had been taken and the questionnaire was distributed (See Appendix C).

The questionnaire is divided into three parts. The first part mainly includes personal informations about the subject person, such as his age, his marital status, and place of living beside questions about his position, date of his employment at The Ministry, and date of employment in his current position in order to see if the employee has been promoted during his service.
The second part includes different questions identifying the clarity of laws applied at The Ministry, the matching between skills and job requirements, motivation for extra-work, belonging to the institution and main things that do not satisfy employees at work. That is this part deals mainly with the job itself and its environment.

As, for the third part, it is prepared mainly to know employees' opinion about different subjects specific to the Ministry, such as the current internal structure, centralization of decisions, initiations of employees, employment conditions, promotions conditions and absence of the employees; after which a series of open-answer questions has been asked about the employee's own opinion of The Ministry problems and how things should be reorganized to reach higher efficiency.

That is the third part is the core of the research, where every employee provided us with his opinion about reorganizing The Ministry. This is a very important part since it provided a great deal of information concerning efficiency at The Ministry, problems and some recommendations to solve such seen problems.

The questionnaire is constituted of different types of questions. Some were scaled, and others were open questions giving the chance for the subject sample of the research to give more of their own thoughts and ideas regarding the concerned problem of the research.
As for the sample used, it's a random sample, of a number equal to 50 employees out of a total number of 239 employees working at both directorates as follows:

<table>
<thead>
<tr>
<th></th>
<th>D.G of Economy And Trade</th>
<th>D.G. Of Wheat And Sugar Beets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time employees</td>
<td>54</td>
<td>16</td>
</tr>
<tr>
<td>Temporary employees</td>
<td>--</td>
<td>56</td>
</tr>
<tr>
<td>Part-Timers</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>workers</td>
<td>80</td>
<td>18</td>
</tr>
<tr>
<td>Controllers</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>145</strong></td>
<td><strong>94</strong></td>
</tr>
</tbody>
</table>

That is the sample constitutes 20% out of total number of employees currently working at The Ministry.

Mr. Youssef Jammoul, temporary Head of The Secretarial bureau took responsibility of distributing 30 questionnaires at The Directorate General of Economy And Trade. Mr. Mustafa Shehaded, temporary head of The Secretarial Bureau at the Directorate General Of Wheat And Sugar Beets, took responsibility of distributing 20 questionnaire there. Both waited till 30/11/90 to distribute the questionnaire to employees who came to get their salaries at the end of the month. If the questionnaire was distributed on any other date than the end of the month, we wouldn't have had such a satisfactory result because there is no consistency in the presence of employees at The Ministry due to current situation of high cost of transportation and high cost of living besides other political and geographic factors which will be studied in the following chapter.
As for the analysis of the results, since the questionnaire is constituted mainly of open questions, it could not be tested on the computer. This is why the questionnaire was scaled and data was processed. Frequency of the diversity of answers was computed and analysis was written accordingly.

**Limitations Of Data:**

1- Employees' bias. Not all employees took the problems seriously. Some said that it was not worth doing such a research because it will be left unused.

2- The questionnaire is constituted mainly of different kinds of questions which made the analysis more difficult.

3- The questionnaire was distributed on 30/11/1990, that is when employees come to be paid. Some of them do not come to work at all, that is they may not be familiar with what's going on in The Ministry which may bias the data.
Chapter IV
FINDINGS AND ANALYSIS

This chapter will go over the analysis of the results achieved based upon the interviews conducted and the questionnaires distributed to the ministry's employees.

Actually, as a result of the research, we can divide the problems faced by the Ministry into two categories. The first category presents common problems which the Lebanese public sector faces in general. The second category presents specific problems of the Ministry which are our main concern.

We will summarize those problems as follows:

Category I:

1 - The effect of the Lebanese security situation on public administration.
2 - The Nepotism effect.
3 - The salaries problem.
4 - The Unequilibrium between skills, education level, and respective allocated jobs.
5 - The training problem.
6 - The unimplementation of punishment against breaking rules and regulations.
7 - The inadequate rewards to encourage work.
8 - The high percentage of absenteeism among employees.
9 - The high percentage of vacant positions.
10 - The huge differences between public sector employees, those in the army and those in other public institutions, and the general differences between public and private sector employees.
11 - The employees' morality.
12 - Weakness of the government.
13 - The great political influence.
14 - Promotion, rotation, and employment.
15 - Sectarianism.

Category II:

1 - The internal structure of The Ministry.
2 - The non-coordination between The Lebanese Ministry Of Economy And Trade and other Lebanese Ministries.
3 - The non-implementation of laws.
4 - The non-technological evolution in the administration system.
5 - The lack of an executive force to implement The Ministry regulations, decisions and rules.
6 - The non availability of an Internal Trade Service.
7 - The unspecified job of controllers.
8 - The negligence of most of the services at The Ministry.

We will go through the details of each problem, analyse it, and through the results of the questionnaires distributed and opinions provided by the interviewees, recommend solutions.
I.1 - The effect of the Lebanese security situation on public Administration:

The security situation which prevailed in Lebanon since 1975 seems to have affected efficiency of work at The Ministry to a great extent. This is illustrated by the increase in the percentage of absenteeism and vacant positions at The Ministry. Analysis of the questionnaires showed that only 30% of employees come daily to work, 24% come 15 days per month and 24% come 20 days per month. 38% of those employees refer their absenteeism to security reasons, since they come to work only when the situation would allow it.

Again, security situation made many employees leave their work at The Ministry either to work elsewhere or not, increasing the number of vacant positions at The Ministry (76).

I.2 - The nepotism effect:

Nepotism effect is not a new issue to be discussed. Studies showed that nepotism is the outgrowth of our social background characterized by strong social relations and family ties. In chapter I, we introduced social variables as factors affecting of the environment in which The Ministry operates. Those social factors involve Lebanese people in strong social relationships with the group to which they belong and with their family needs to an extent that an employee tends to satisfy the required social and family needs even if they contradict with his work principles.

(76) - Shehadeh, interview.
The effect of nepotism is reflected on both employment, promotion, and work policy at The Ministry. This is so when an applicant is employed at The Ministry because he is related to a Minister or to a very well known family. This is shown when an employee is promoted because he has good relations with The Minister or any effective power. During work, 8% of employees receive pressures from their families, 30% from their colleagues, 18% from political parties and 12% from Ministers. This affects greatly the work policy and operations since an employee will not abide by the work principles in order to meet the requested family or social need.

I.3 - The salaries problem:

This problem is common to all public organizations and is actually a very important and severe one. The highest salary at The Ministry is LL.160,000 and the lowest is LL.47,000 (77). Analysis showed that 50% of the employees at The Ministry see the problem as a main one which should be considered. 78% of the employees see that to increase efficiency in current situation, salaries must be increased. Salaries are very low, employees living in Beirut spend one third of their salary on transportation cost, while those living outside Beirut spend two third of their salaries on transportation. The rest will not be enough to meet life requirements especially when the purchasing power of individuals decreased 10 times in the last

(77) - Ibid.
four years due to high inflation. Employees are suffering from the deteriorating economic situation (78). This is a main cause behind their negligence of their work. They may disregard their job to fulfill the requirements of another if the result is an economic benefit, or they may accept outside economic rewards to complete quickly a certain operation instead of maintaining it in the drawer till further notice (79).

I.4 - The unequilibrium between skills, education level and respective allocated jobs:

Analysis showed that 72% of employees' skills do not match their jobs' requirements for which lesser skills are needed. We can see for example an employee holding a degree in economics working as a controller at The Directorate General Of Economy And Trade, and this is the case of all controllers. We may also see an employee holding a doctorate in social sciences responsible for the library of The Directorate General of Economy And Trade.

Through our analysis, 28% of the employees said that it's very important to have a certain equilibrum between skills and allocated jobs where the right person must be assigned to the right job.

I.5 - The training problem:

In Chapter I, The Civil Service Commission was introduced as having been responsible for personnel matters concerning

(78) - Keireddine Tabbara, Temporary Social Security And Insurance Service Head, Interview conducted at The Directorate General Of Economy And Trade, August 8, 1990.
(78) - Emile Jebara, Acting Director General at The Directorate General Of Economy And Trade, Interview conducted at his office August 8, 1990.

-48-
civil servants, within which training programs make part. The Civil Service Commission has been deactivated by Resolution No. 2 dated 07/12/1989. Training programs stopped accordingly. Employees didn’t have the chance to attend scientific training programs related to services in which they work, nor were they oriented towards scientific management and administration which created efficiency problems because employees were not aware scientifically speaking of their work and their work policy (80).

I.6 - The unimplementation of punishment against breaking rules and regulations

The main reasons behind the subject problem are as follows:

a - The deterioration of political and economic situations leading employees to turn away from their work and break work rules for their own economic benefit. Supervisors, from a human point of view, never take action against them because they understand very well the cause of their behavior (81). On the other hand, supervisors do not take any penalty action because most of employees are backed by political parties (82).

b - Employees are not psychologically relaxed, since they are not satisfied with their job environment or their salaries

(80) - Tabbara, interview.
(81) - Jebara, interview.
(82) - Ibid.
in said conditions. Supervisors feel that they are not to
to be blamed for their inefficiency (83).

c - Employees are mostly irresponsible. They don't feel that
work must be done and must continue. As long as they have other
things to benefit from, they will pursue outside activities
forgetting completely about their main work (84).

I.7 - The inadequate rewards to encourage work

There is no motivation of any kind to encourage employees to
work at The Ministry. Questionnaire analysis showed that 72% of
employees do not get even a moral recognition for what they achieve.
54% of employees do not work overtime because they know that they
will not be rewarded. Out of the 40% of employees who do work
overtime whenever it's necessary, 68% are never rewarded, 20% are
morally recognized and 12% are economically rewarded. However, 92% of
those employees who are rewarded are not satisfied with what they
get. They do think that the reward is never fair taking into
consideration the work done and the current economic situation.

In addition, some responsible employees who are assigned to
complete the work in a vacant position are under tremendous
pressure. They don't get any help, and sometimes they do take their
work home with them. These hard workers are never rewarded. Such
employees work as part-timers in other institutions to meet life
requirements (85).

This policy of non-rewards and non-motivation is encouraging
employees to neglect their work and reach for a second source of
income and hence leading to inefficiency at The Ministry.

(83) - Ibid.
(84) - Ibid.
(85) - Ibid.
The increasing percentage of absenteeism among employees

This problem is considered a major problem at The Ministry, it leads to the utmost inefficiency for the unavailability of the sufficient human resources needed to perform work.

Analysis showed that 36% of employees said that there exists a 75% absenteeism at The Ministry, 32% said that it is about 50%, 18% said that it’s about 35% and 10% said that it is about 20%. Actually, the percentage of absenteeism is very high at the ministry where only 30% of the employees come daily to their work.

The main reasons of such high percentage are as follows:

a - 38% of total absenteeism is due to security reasons. As it was mentioned in previous paragraph, employees are very afraid to come to work when the situation is bad. Unfortunately, from time to time, unsafe situations prevail, forbidding employees to come and achieve their due work.

b - 50% of total absenteeism is due to by economic reasons. Salaries paid to employees are not enough to cover the cost of living and transportation costs. Transportation costs may be equal to 1/3 of an employee's salary living in Beirut, and 2/3 of the salary of those living outside Beirut (96). Employees are not paid transportation fees. They do come occasionnally to work, and they say it frankly that they are absent because they can't afford transportation cost. They prefer to stay at home and come at the end of the month to get paid or they prefer to work in another institution and get paid there also, specially that there will be

(96) - Tabbara, interview.
no action taken against them. What is to be noticed is that supervisors and general directors do understand their employees behavior. They never take penalty actions against them (87).

c - 8% of absenteeism is due to political reasons. Some employees are members of political parties, although Art.15 in Decree § 112 does not allow such affiliations. They can not come to The Ministry because it may constitute a big danger to their lives.

d - 8% of absenteeism is due to administrative reasons. Employees are not satisfied with the work policy where 38% of the sample, subject of our research, are dissatisfied with work policy. An employee said that he never comes to work because he does not like the way by which things are done and achieved.

I.9 - The high percentage of vacant positions:

The main reasons behind the problem of the high percentage in vacant positions are as follows:

a - The geographical separation of Beirut subject to the political situation which has been prevailing since 1975. This separation led many employees to search for another job nearer to their homes(88).

b - The increasing number of vacant places is due to security reasons death or resignation reasons. No new employees were assigned to those vacant positions subject to resolution number 2 dated 1989 followed by resolution no. 15 dated 1990 to extend it.

(87) - Jebara, interview.
(88) - Tabbara, interview.

-52-
I.10 - Differences among public sector employees, army and other public institutions employees and the general differences between public and private sector employees:

Differences between public sector employees and those in the army from one side, and those of the private sector from the other side lie mainly in the salary, transportation and fringe benefits. Military people who do not have any rank or any title got higher salaries than other public employees, eventhough the latter held high degrees. Besides, soldiers do not bear any transportation cost for there are special busses to transport them from their home to their duties. Those who own cars, get special coupons to fill their cars with oil from the military stations. Public employees on the other hand are not paid any transportation fees. As for the fringe benefits, military people benefit 100% as medical coverage, and 75% as school fees coverage. However, in other public institutions, employees benefit 75% as medical coverage paid through The Social Security Office where the necessary procedures take a very long time. The same thing is applied for school fees where an employee is reimbursed 75% of his children school fees through Public Employees Cooperation Office. The wife compensation for military people is above 25% of the basic salary, while it's only 14% at The Ministry. When military people are sent on a special mission outside Lebanon, they are paid in foreign currency, while public employees are paid a lumpsum in local currency.

Differences also exist between public and private employees, where private employees are paid transportation fees, they are insured in private insurance companies, and they do sometimes have dollar subsidies. Besides, they enjoy better job environment.(89)

(89) - Shehadeh, Interview.
This has created a kind of revolution among the employees at The Ministry, affecting their initiation to work and discouraging them to perform their work where if they are to be rewarded, the reward would not exceed 5% of the basic salary, while rewards in the military sector exceed twice or thrice the salary (90).

I.11 - The employee's moral:

Lebanese personality has been affected greatly by the events of the long war since 1975. They want to survive whatever is the way and whatever is the price. Their moral changed a lot, they do not care for their work or work policy. They would benefit from any single offer even if it contradicts with their work policy and moral standards. This is obviously the effect of the changing environment introduced in chapter 1 in which The Ministry operates (91).

I.12 - Weakness of The Government:

The deterioration of the political situation in Lebanon, the power shared by political parties and the inability or the difficulty which The Government is facing to correct the deteriorating situation led to a state of distrust among people in The Government. Actually, all Lebanese people are acting and looking for their own benefit without expecting a single help from The Government.

(90) - Ibid.
(91) - Jebara, Interview.
This weakness, along with the political power of existing political parties is behind the inability of The Ministry in achieving its goals and missions(92). For example, The Consumer Protection Service role is to protect consumers against fraud and high prices. However, controllers can locate those who are cheating but can not take action against them because they are not strongly backed by The Government, while the cheating parties are backed by some political parties(93).

I.13 - The great political influence:

The Ministry of Economy And Trade is a public institution, and as mentioned before, is subject to great political interference. The Minister by himself is a politician. 30% of the pressures excercised on employees during work are exerted by political parties, ministers, and other political persons. 20% of the employment at The Ministry is executed under political pressure. When promotion was applicable, it depended on political relations by 44%. Actually, the political interference is a consequence of the nature of the public institution which can't be eliminated or disregarded.

I.14 - Promotion, Rotation and Employment:

Promotion, rotation and employment problems were created when The Civil Service Commission activity has been frozen by resolution no.2 dated 1989 since the latter is responsible for all personnel matters concerning civil servants.

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(92) - Ibid.
(93) - Ibid.

-55-
Analysis showed that there is no promotion at The Ministry. We should differentiate here between promotion and gradual advancement where in the latter case employees are advanced automatically every two years. Those who were employed at The Ministry before 1975 mentioned that 18% of promotions were based on performance, 8% on social status of subject employee, 6% on the seniority of the employee at work and 44% on political relations. Rotation problem is also a consequence of the Civil Service Comission freezing. Analysis showed that the minimum period which an employee has spent in one job is 15 years with no rotation nor promotion. 5% of the employees at The Ministry are permanent employees. Resolution no.2 dated 1989, didn't allow for more employment, and that vacant positions should be assigned to temporary employees and part-timers(94).

Actually, this makes some employees very angry. One employee stated that he has been in the same position since 1968 with no promotion eventhough he holds a Ph.D degree. The employee reaction is his frequent absenteeism. He said that not being promoted makes him very nervous (95). This nervosity was shown on the questionnaire sheet where he was drawing a lot of question and exclamation marks.

On the other hand, another employee seemed furious being assigned to a vacant position temporarily, and that temporary meant 15 years(96).

(94) - Shehadeh, Interview.
(95) - Tabbara, Interview.
(96) - Jammoul, Interview.

-56-
I.15 - Sectarianism:

Sectarianism was defined in the first chapter as a system of proportional representation in all branches of the Government based on sectarian affiliation (97). Actually analysis of the questionnaire showed that 48% of employment is based on religious affiliation. However, Article 95 of the amended Lebanese Constitution dated September 21, 1990, cancels sectarianism as a basis for public employment, to be replaced by skills and education level except for Category I employees where positions should be divided equally between Muslims and Christians.

To summarize, category I problems are common among all Lebanese ministries and public institutions. This is mainly a consequence of the deteriorating political and economic situation and the nature of the institution which affected working policy, employment, employee quality work life and job environment, making him dissatisfied, unable to work and perform as he should.

Our research is mainly concerned with category II problems because they are specific to the Ministry. This is why we will go more deeply into the details of every problem under this category.

(97) - Fayyad, p.88.
II.1 - The internal structure of The Ministry;

The current structure of The Ministry has been introduced in the first chapter (See Appendix A - Chart I). Main gaps in this structure are as follows:

a- The unavailability of a team-work to do essential economic studies in The Directorate General Of Economy And Trade which help The Ministry to set the general economic policy of the country, although that Law 6821 specifies that role in Article 1 section 2-b (98).

b- The non-homogeneity between the structure of The Directorate General Of Economy And Trade and that of The Directorate General of Wheat And Sugar - Beets in that there exist no services in the latter directorate. Bureaus come directly under the General Director. The General Director is the one who bears the responsibility of service heads whom do not exist. Those responsibilities should be assumed by service heads to eliminate the work pressure (99).

c- There exists no communication center between the two directorates. It is worth mentioning here that The Directorate General of Economy And Trade has a very important role in controlling prices of bread set by The Directorate General Of Wheat And Sugar-Beets through The Consumer Protection Service Bureau (100).

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(98) - Nakib, unpublished study, p.4.
(99) - Noureddine, interview.
(100) - Mohamad Zein Eddine, Temporary Bureau head, Interview conducted at the Directorate General Of Wheat and Sugar-Beets, August 8, 1990.
A proposal to increase efficiency at The Ministry was the establishment of a third directorate besides the two existing ones. Mr. Samir Hatoum, Councillor, submitted a proposal for the third directorate to be The Consumer Protection Directorate instead of the named service. This proposal came out of the importance of The Consumer Protection Service in The Directorate General Of Economy And Trade. Some of the executives were in favor of the proposal. Others were against it for the following reasons:

1- Whenever a job is broken down into small tasks, it's better understood and specified. In this case, we can not separate The Consumer Protection Service because it's mainly attached to The Directorate General of Economy And Trade from the reporting and controlling point of view.

2- The presence of other services which are also very important such as The Social Security and Insurance Service and The Trade Service.

3- The enlargement of the structure will lead to more routine work due to the increase number of jobs.

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(101) - Ali Issa, Ahmad Naleh, Cotrollers, Interview conducted At The Directorate General Of Economy And Trade, August 8, 1990.  
(102) - Raji Basat, Acting Director General, Interview conducted at The Directorate General Of Economy An Trade, October 1990.  
e- The high number of vacant positions at The Ministry, and here are some illustrations:

1- Head of The Secretarial Service position at The Directorate General of Economy And Trade is vacant. A temporary employee has been assigned to fill this position but he is always absent (104).

2- Regulations, as by Law 6821, had assigned 16 employees for The Secretarial Service at The Directorate General Of Economy And Trade. Currently there is a 100% vacancy in both categories 4 and 5. Two of the available controllers are assigned to perform secretarial work (104).

3- All positions at The Trade Service are vacant. Their total number is twenty. This has led the Service to neglect a lot of its missions since there is nobody to perform them (104).

4- Out of nineteen position at The Social Security And Insurance Service, seventeen are vacant. Temporary assigned Director General performs the task of The Service Head because the latter never comes (104).

5- The Law specifies the existence of controlling committee constituted of 3 members at least. This committee is inactive since no single controller was assigned (104).

f- The increasing number of vacant positions and the inactive civil commission service led to the assignment of many employees temporarily to new positions with no job specification. Temporarily assigned employees seem not to understand exactly what they to do. Their work is not clear to them. For example, an employee who used

(104) - Nakib, (unpublished study), p.11.
to be a controller was assigned temporarily to be the Secretarial Bureau Head at The Directorate General Of Economy And Trade. Actually, he is not only the head of The Secretarial Bureau, he is doing other tasks since there is nobody to perform them at the Bureau (105).

Centralization is also another structural problem faced at the Ministry where everything is mainly referred to the Director General and to The Minister himself. Analysis showed that 78% of employees said that the administration at The Ministry is centralized. 56% think that it's better to have a decentralized administration for the following reasons:

1-Decentralization means delegating authority to subordinates. This will encourage initiative among subordinates. It is to be noted that 54% of the employees questioned miss this initiative.

2-Decentralization would be a way to increase efficiency since it saves time and operations would be achieved quicker because there is two level of management instead of 3.

3-Decentralization may enlarge job specifications and eliminate non-routine work. This is true and can be noticed in The Directorate General of Wheat and Sugar-Beets where decentralization does exist. There are no services at the subject directorate, authority is directly delegated to bureau heads. Tasks are completed in a quicker way than in The Directorate General of Economy And Trade, because they mainly deal with necessities such as wheat and sugar (106).

(105) - Jammoul, Interview.
(106) - Zeineddine, Safa, Shehadeh, Interview.
II.2 - The Non-Coordination between The Lebanese Ministry Of Economy And Trade and other Lebanese Ministries:

One of the roles of The Lebanese Ministry Of Economy And Trade, as specified by Law 6821, is to coordinate with other Lebanese Ministries to develop all the economic aspects. Actually, this coordination is very weak due to the following reasons:

1- The difficulty of tele-communications between two institutions in the same Lebanese region.
2- The non-technological evolution in public institutions due to the "Takashuf" policy.
3- Prevailing unsettled political situation.

The Ministry for example must be up to date with prices precised by The Tourism Ministry (Hotels, Restaurants, Theatres, movies) and those of The Lebanese Ministry Of Fuel And Industry (Oil, Gaz, Industrial Products, etc...). This is to facilitate the controllers' job. For example, when controllers discover a certain discrepancy in the prices of a certain industrial product, they can not report at the spot to the subject ministry. The action to remove the discrepancy is delayed and sometimes never implemented (107).

II.3 - The non-implementation of laws:

We can divide laws into two groups. The first group deals mainly with those applied in personnel matters. The second group

(107) - Nahleh, interview.
is that of the rules and resolutions decided by The Ministers Board, according to which The Ministry operates.

Main reasons of the non-implementation of the personnel rules are the following:

1 - As we have seen earlier, an employee may go beyond his rights as employee at The Ministry, for economic incentives or for security and political reasons. His supervisor never punishes him as he might not have the heart to do so, or because he is afraid that the employee may be backed by political parties.

2 - On the other hand, the employee is not rewarded for what he is achieving which leads him to neglect his job (108).

In both cases, efficiency is affected.

Main reason of the non-implementation of the rules and resolutions by which The Ministry operates are the following:

1 - The laws set by The Ministry are not upto date with the changing environment. For example resolution no.277 which specifies the profit margin as 5% should be updated because it's not accepted among traders who do break it often (109).

2 - Individuals breaking the rules set by The Ministry may be backed by political parties (109).

(108) - Jabara, interview.
(109) - Nahleh, interview.
II.4 - The non-technological evolution in the administrative system:

When you walk in The Lebanese Ministry Of Economy And Trade offices, you are surprised to see old offices everywhere, old equipment and old furniture, reflecting an image of poverty, in the full sense of the word.

This is due to deficit suffered by the Government due to the disastrous changes that occurred economically. A policy of austerity (110) is applied. However, despite the difficult conditions, technology needs to be introduced in The Ministry system for the following reasons:

1- The Ministry should have a complete information system combining its own information with those of other ministries in order to control all Lebanese economic aspects.

2- Technology saves a lot of time in completing a certain process or a certain operation, especially in The Lebanese Ministry Of Economy And Trade where actions should be implemented quickly.

II.5 - The lack of an executive force to follow up and implement The Ministry regulations, decisions, and rules.

This problem has been mainly noticed by controllers at The Consumer Protection Service. They are mainly facing the problem of quickly implementing actions taken against fraud and cheating. Whenever there is an operation to be controlled, controllers have difficulty contacting The Lebanese Internal Security Forces to take proper action, and this causes a delay in execution and often, the action is totally forgotten (111).

(110) - Shehadeh, Interview.
(111) - Nahleh, Interview.
II.6 - The non-availability of an Internal Trade Service:

There is no Internal Trade Service at the Ministry. There exists The Foreign Trade Service divided into The Foreign Trade Bureau, The Bureau Of Companies, The Financing Bureau, and The Claims Bureau. There is no specific Internal Trade Bureau mentioned although it is very important to follow Local Trade processes in Lebanon especially in prevailing conditions (112). However, some executives said that The Internal Trade Operations are within those of The Trade Service, and that it's not an independent one because we have a free economy (112).

II.7 - The negligence of most of the services at The Ministry:

Most of the missions of the services at the Ministry are neglected due to the high percentage of absenteeism and vacant positions. For example, The Trade Service at The Directorate General Of Economy And Trade is completely neglected, despite the importance of the said service under whose jurisdiction the organization of Trade Relations with foreign countries falls (113). The service has stopped overseeing the organization of exhibitions, controlling anonymous lebanese companies, organizing trade deals and prepare economic studies.

(112) - Bsat, Interview.  
(113) - Ibid. 

-65-
The Social Security And Insurance Service is also inactive. A committee within the service should control insurance companies. However, the committee's work is freeze since no members are yet employed in the committee(113).

The Consumer Protection Service is facing deficiency in needed equipment like transportation cars to transport controllers from one place to another. Committees controlling pricing and cheating are inactive as well(113).

Quality and Measures Control Committee is also inactive. The Committee is not meeting at all since no budget has been assigned to make available international measures and quality criteria in order to control local markets(113).

There is no lab at The Ministry to test the imported food stuff. There is total paralysis in The Jewelry Bureau which had been subject to a theft four years ago. The necessary working team is absent, as well as a lab for stamp or mark operations(113).

The Israeli Boycott Office needs also to be revitalized where no team work is available(114).

It's Important at this stage to mention the main items, which, throughout our research, proved to be very important in affecting efficiency at the ministry.

At the end of the questionnaire, two questions summarized the whole of it. We may say that they are the concluding questions. Mainly, they evaluate efficiency in light of a set of defined variables, once in an ordinary environment and a second time in current situation.

The first analysis showed the following results:

1- 28% of the sample subject of our research expressed their belief that a higher efficiency is related to matching skills and education levels with allocated jobs.

2- 18% believe that a higher efficiency is mainly related to a better job environment characterized by technological advancement.

3- 14% believe that a higher efficiency is related to the implementation of a certain policy of penalties and rewards. This is to reinforce positive and negative employees behavior.

4- 12% believe that a higher efficiency is related to a change in the work policy at The Ministry.

5- 8% believe that a higher efficiency is related to a change in the internal structure of The Ministry.

6- 6% believe that a higher efficiency is related to a clear job specification of all positions at The Ministry.

7- 4% believe that a higher efficiency is mostly related to an updating in laws according to which The Ministry Operates.
8. 4% believe that better efficiency at The Ministry is related to better employee economic conditions, that is salaries, compensations, and fringe benefits.

9. 2% believe that higher efficiency can be achieved at The Ministry by applying a decentralized system in order to facilitate work procedures.

On the other hand, analysis of efficiency variables in light of current conditions show the following:

1. 78% of the sample subject of our research believe that, in the light of current conditions, efficiency would be increased by better employee economic conditions.

2. 8% of the sample believe that increase in efficiency is mostly related to a better job environment characterized by high technology.

3. 6% believe that higher efficiency is related to the employment of skilled applicant's. Employment must be based on skills and education level not on political, religious, or social affiliations.

4. 4% believe that a higher efficiency can be attained by a strict abiding by work principles.

5. 4% believe that a higher efficiency is also related to a change in structure, within which decentralization is included.
This would end our analysis. Further recommendations to increase efficiency at The Ministry would be discussed in details in the following chapter.
Chapter V.

RECOMMENDATIONS AND CONCLUSION

A. Recommendations:

The purpose of this chapter is to propose some recommendations that are seen to be suitable and important to increase the efficiency of work and operations at The Ministry. This is based upon the results of the research assembled and analysed.

In the second chapter of this research, we covered a literature review over the evolution of management theories. The conclusion reached is that there exists no best way of management. Many variables must be taken into consideration when setting a strategy in management. Those variables may be internal or external, they may be interacting with each other, providing a specific nature of the environment in which the organization operates.

Taking into account the above mentioned conclusion, the current environment in which The Lebanese Ministry Of Economy And Trade operates, which was introduced at the beginning of this paper, and the laws under which The Ministry executes its missions, the following recommendations are proposed:

-70-
1 - Departmentalization is important within an organization because it permits specialization. The proposal of Samir Hatoum, The Minister Consultant, of establishing a third directorate in The Ministry to be known as The Directorate General Of Consumer Protection Service is because the subject service is very important. If the Consumer Protection Service is separated from The Directorate General Of Economy And Trade, and becomes a Directorate in itself, there would be more specialization in the operations performed and hence more efficiency is achieved.

However, The Consumer Protection Service is very much related to The Directorate General Of Economy And Trade in reporting and controlling.

On the other hand, The Commerce Service Which role is very important, is left inactive and neglected. Our proposal here is if a third directorate is to be established at The Ministry, The Commerce Service would have the priority to be the said directorate. The Directorate General Of Commerce would be divided as follows (See Appendix B - Chart II.):

1 - Foreign Trade Service.
2 - Local Trade Service.

Under The Foreign Trade Service would fall the following bureaus:

1- Foreign Trade Relations Bureau.
2- Import And Export Controlling Bureau (within set of rules and regulations applied at The Ministry).
3- National Economy Protection Bureau.

Under The Local Trade Service would follow the following bureaus:

-71-
1- The Bureau Of Compagnies.
2- The Bureau of Exhibitions.
3- The Bureau Of Property Protection.

This proposal is also a consequence of the concept that departmentalization would lead to more specialization and more efficiency.

At this stage, since The Consumer Protection Service role is very important, it is recommended that the said service should be a control center where a new bureau would be added to be known as The Executive Bureau whose main role is to follow up discovered discrepancies and illegal fraud and cheating and implement necessary actions. The Consumer Protection Service, as a control center would operate under the three directorates: The Directorate General Of Economy And Trade, The Directorate General Of Wheat And Sugar-Beets, and The Directorate General Of Commerce. The center will be a communication tool between the three directorates and other ministries as well, the ones which contribute in developing the economic sectors in Lebanon. Such ministries are The Lebanese Ministry Of Industry And Fuel Oil, and The Lebanese Ministry Of Tourism. The role of The Consumer Protection Service is to control prices of industrial products, fuel oil prices, and touristic services prices (See Chart II).

2 - A second important recommendation is to prepare a clear organizational chart of The Ministry, specifying departments, number of positions and jobs needed in each department along with a job specification for each position, allocating the
the number of employees needed to be assigned in current vacant positions along with skills and speciality needed.

3 - A third recommendation is related to a reactivation of the work of The Civil Service Commission in order to take care of the personnel matters among which are the following most important ones:

a- Assignment of new employees within the requirements set by The Ministry.

b- Preparing appraisals and performance reports to promote old employees within a scale of work performance, skills and work seniority, besides assigning temporary employees in temporary jobs.

c- Organizing off-training programs to train new employees on assigned jobs to perform scientifically their tasks, and to be able to fill any vacancy that may occur accidentally at The Ministry to ensure continuity of work.

d- Implementing necessary penalty actions against work discrepancies.

Actually circular No.15 dated 07/05/90 activated again The Civil Service Commission to control personnel matters in public institutions since there is full attendance of board members.

Also, circular No.5 dated 26/05/90 stated that in light of Articles no. 7,8, and 9 of The Legislative Decree No.111 dated 1959, general directors should implement their total authority within set rules at The Ministry, to maintain order and efficiency at The Ministry.

-73-
Besides, The Security center has been authorized to take necessary actions against those who neglect their duties or those who do not implement their authority.

4- Adjustment of the employees conditions as follows:

   a- Adjustment of salaries to match degrees hold, skills and seniority at work. Economically speaking, employees working at the ministry are actually paid more than enough compared to their attendance. This is why salaries should be only adjusted to the mentioned variables stated above.

   b- Issue insurance cards which would be held by every employee to facilitate his admittance to any hospital in case of emergency. Such card would cover 100% of medical fees. Included in this insurance coverage would be the employee's families and medications needed.

   c- Organization of a special committee constituted of three members whose main activity is to follow up employee cases, to insure, among other things, fast payment of school fees and other charges.

   d- Indicate a transportation payment range according to different Lebanese regions. Such transportation fees are subject to amendment whenever a rate of inflation would occur.

5 - A fifth recommendation, which is also very important to apply, is to prepare an efficient motivation program. The aim of this program is to encourage employee to work more efficiently and decrease the high percentage of absenteeism noticed at The Ministry. recognition would be as follows:
1- Bonuses to be paid at the end of each year. To make clear to the employees that such bonus would be provided according to a performance and appraisal reports prepared by their supervisors.

2- Rewards for the most efficient employees. Such rewards may be moral recognition or economic incentives. An example of moral recognition is to elect "The Ideal Employee Of The Year" and hence this election by a gift such as a'piece of gold'. To mention here that such rewards push ambitious employees to work more and create an atmosphere of competence in the job environment.

3- Overtime payments for extra-work. Every extra hour should be equal to one and a half of scheduled hour. Such extra payments must be included in the salary at the end of each month.

All those rewards mentioned above must be planned for in the annual budget of The Ministry, in the article concerning rewards, and must be approved by The Minister of Finance. This is why such budgets must be prepared before time according to studies and analysis in order to be approved before the coming new year

(115) - Nakib, (unpublished study) P.17.
6- Reactivation of all the services existing under the two general directorates. This would be achieved by insuring the needed work team in every service, revitalizing all divisions concerned with each service and requesting new technical machines needed in every service to insure a better job environment. Most important services to be reactivated:

1- The Consumer Protection services and the bureaus which are derived from it.
2- The Jewelery Bureau.
3- The Social Service and Insurance Bureau.

7- Control absenteeism by introducing a new checking machine to control working schedules. Such checking would be referred to when preparing performance reports at the end of the year.

8- A change in the internal job environment at The Ministry is needed. We mention here internal job environment and not external job environment, because the latter is not related to The Ministry itself rather to the social, economic and political environment which couldn't be changed easily.

As for the internal job environment, it should be made more comfortable by purchasing new advanced technical machines. This would lead us to think about inducing a computerized system into the ministry. This system would reserve all the needed information and facilitate reporting and other operations which would be achieved more efficiently.
Job environment would be nicer by organizing, on special occasions, informal gatherings which will enhance relations between employees from one side, and between employees and their supervisors from the other side. Loyalty will be achieved in that way, and the employees will be psychologically more relaxed and will consequently be more efficient at their work.

9- Decentralization, as a problem, was not so grave. Only 2% of the sample saw that efficiency is related to decentralization. Decentralization at The Directorate General Of Wheat And Sugar-Beets is applied (116), and it had shown more efficiency in operations. Interviewees at the said directorate said that decentralization must be applied to eliminate work formalities, and save time in accomplishing operations. This is why it's highly recommended that decentralization be applied in The Ministry by delegating more authority to subordinates. This will consequently increase efficiency and motivate subordinates to give more.

10- The organization of a committee constituted of experts in economy, those would be only recruited as part-timers to prepare studies and analysis of the market in order to review changes that occurred and recommend changes in the laws applied at The Ministry accordingly. Such changes would increase efficiency since changes in laws would limit discrepancies because they will meet more the new

(116) - Noureddine, Interview.

-77-
environment in which we live and work. Such changes in laws can be executed subject to resolutions signed by The Minister Of Economy where he does have authority.

11- It is highly recommended that political interference, nepotism and secterianism effects be reduced at The Ministry. As for political interference, it can't be totally eliminated because it's mainly a consequence of the nature of The Ministry as a public institution. As for the secterianism, The Lebanese Constitution amended in May 1990 may be a solution for it. In article no. 95, the new Constitution cancels secterianism as a base for employment, except for category I employees which are equally divided among Muslims and Christians.

Finally the nepotism effect should be eliminated. However it can be used more efficiently. Nepotism is a consequence of our arab nature, it can be used after all the primary conditions of employment are met and satisfied.

12- The Consumer Protection Service is a very important one at the Directorate General Of Economy And Trade because it implements laws set by the Ministry, control market prices, follow up fraud and cheating and other discrepancies. Hence, a recommendation is proposed here to organize an executive force under The Consumer Protection Service to implement decided actions. This executive force will be part of The Lebanese Internal Security Forces, and of The Ministry Of Economy And Trade as well.

-78-
13- Controllers are tired of playing the role of policemen. This is why a clear job specification should be prepared. The said job specification would include the following items:

1- Reporting discrepancies.
2- Study cases and make decisions about the proper action to be taken.
3- Implement decisions by executing decided actions through the Executive Force (recommended earlier).
4- Follow up and evaluate results achieved.

A special motivation for the controllers is to allocate 25% out of the taxes imposed on discrepancies to their own benefit. This would guarantee that no controller would accept economic rewards to hide acts of fraud and cheating. Consequently, more efficiency is reached.

B. Conclusion:

The changing environment has greatly affected the Lebanese Ministry of Economy and Trade. Modern management sees that according to such changes we must follow different management strategies to keep on a high level of efficiency.
The Lebanese Ministry Of Economy And Trade is a public institution subject to a great political interference. What is really needed to improve efficiency at The Ministry is a kind of settlement in the outside environment: economically and politically. Afterwards, it will be easier for the administration to reorganize The Ministry, because it has no control on such external variables. However, until settlement is reached, administration at The Ministry would have to try to adapt the internal variables of The Ministry to the present external ones. Internal variables are very important and can be controlled with a special effort by the administration. Such Efforts would be to ensure a better job environment for the employees from the technological point of view, and adjusted salaries, compensations and fringe benefits. Administration would comment that such actions need to be approved by The Council of Ministers and that special yearly budgets must be prepared.

We say, that we are suffering from a very bad environment. Responsibilities should make a special efforts to convince The Council of Ministers to approve such actions.

Efficiency can't be easily reached. However, as we have mentioned before, special efforts would be made to improve it in
a way or another, because efficiency is mostly needed to fight
the variables that surrounds The Ministry and all other public
institutions.
Appendix A.
Current structure of The Lebanese Ministry of Economy and Trade
Appendix C.

Questionnaire Sample

Dear employee in The Lebanese Ministry Of Economy and Trade.

This questionnaire has been prepared to ask for your own opinion to help in preparing a study concerning The reorganization of the ministry.

Your answers will be secretly kept. Nobody will look at them except those who are concerned in the study.

Your accurate answers and prompt cooperation are highly appreciated.

_____________________________________________________________________

Age :--------- Marital Status:-------- Adress: ----------------------------

Part I:

1- Degree Received:--------------------------------------------------------

2- Directorate General to which you belong:-------------------------------
   Category:------------ Type:------------------

3- Your current job at the Ministry:
   Acting Director ----
   Service Head ------
   Bureau Head ------
   Others -----------

4- You are a :
   Full-time employee ------
   Part-time employee ------
   Temporary employee -----  
   Hired worker -----------

5- Date of your employment at the Ministry:-----------------------------
   Date of your current position ----------------------------------------

Part II:

6- Do you have any reference to clarify laws set by the Ministry:
   Yes --- No ---

7- Is the existence of such reference important:
   Yes --- To a certain extent --- No ---

8- Initiation is open to you at work :
   Yes --- To a certain extent --- No ---

9- Your skills match your job :
   Yes --- To a certain extent --- No ---

-84-
10- Do you get moral recognition from your supervisor:
   Yes --- To a certain extent --- No ---

11- Do you work overtime:
   Yes --- Sometimes --- No ---

12- Your overtime is:
   Economically appreciated ---
   Morally appreciated ---
   Never appreciated ---

13- Are you satisfied with such appreciation:
   Yes --- To a certain extent --- No ---

14- To which institution you feel that you belong the most:
   (Put a number near the most important beginning by No.1)
   The Ministry ---
   The religious sector ---
   The Family ---
   The political party ---
   Others(specify)---

15- During your work you receive pressures from:
   (Put a number near the most important beginning by No.1)
   The Family ---
   Freinds ---
   Colleagues ---
   Political parties ---
   Ministers ---
   Deputies ---
   Others(specify)---

16- At work you are dissatisfied with:
   (Put a number near the most important beginning by No.1)
   Salary ---
   Compensations ---
   Supervisors' moral appreciation ---
   Work policy ---
   Work type ---
   Others(specify)---

Part III:

17- The administration at the Ministry is:
   centralized --- centralized to a certain extent --- decentralized ---

18- Efficiency at the Ministry would be increased if the administration is:
   centralized --- centralized to a certain extent --- decentralized ---

19- Authority delegated to subordinates is:
   limited --- limited to a certain extent --- unlimited ---
20- Employment at the Ministry is based on skills and speciality:
Yes --- to a certain extent --- no ---

21- Employment at the Ministry is based upon the following:
(Put numbers according to the importance beginning by no.1)

Educational level ---
Social status ---
Family relations ---
Wealth ---
Religious sector ---
Political belief ---
Others (specify) ---

22- Promotion is applied at the Ministry:
Yes --- to a certain extent --- No ---

23- If promotion is applied, it's based upon the following:
(Put numbers according to the importance beginning by no.1)

Performance ---
Social status ---
Speciality ---
Work Seniority ---
Age seniority ---
Political relations ---
Social relations ---
Others (specify) ---

24- Your attendance at work is approximately : (percentage per month)

25- The reason behind your absenteeism is :

26- The percentage of absenteeism at the Ministry is around :

20\% ---
35\% ---
50\% ---
75\% ---
Others (specify) ---

27- The reasons behind the percentage of absenteeism at the Ministry are:
(Put numbers according to the importance beginning by no.1)

Security reasons ---
Economic reasons ---
Political reasons ---
Administrative reasons ---
Others(specific) ---
28- Procedures which should be changed at the ministry:
(Put numbers according to the importance beginning by no.1)

Work policy ---
Salary ---
Work schedule ---
Job enlargement ---
Compensations ---
Employment ---
Structure ---
Others ---

30- In your opinion, the best way to increase efficiency at the ministry:


31- To enhance relations between employees, we must:
(Put numbers according to the importance beginning by no.1)

Follow the open-door policy ---
Organize informal meetings ---
Organize work meetings ---
Others (specify) ---

32- In prevailing situation, the best way to improve efficiency at the ministry is:
(Put numbers according to the importance beginning by no.1)

Adjustment of employee conditions ---
Encouragement of employee initiative ---
Employment of skilled applicants ---
Insuring better job environment ---
Restructuring ---
Decentralization in decision making ---
Abiding by work principles ---
Setting of a new promotion policy ---
Others (specify) ---

33- Variables that must be changed to encourage employees to work:
(Put numbers according to the importance beginning by no.1)

Higher salary ---
Compensations ---
Moral recognition ---
Encourage employee self-initiative ---
Others (specify) ---

-87-
34- Current structure of the ministry is doing quiet well:
Yes --- To a certain extent --- No ---

35- If not, what is in your opinion the change that must occur:

36- Laws set by the ministry must be amended:
Yes --- To a certain extent --- No ---

37- What are the most important services or bureaus that need to be activated:

38- Kindly write your opinion about problems that you may think it is important to look at, and which we did not mention in the questionnaire:

39- Finally, kindly write your personal comment about the questionnaire, and the concerned subject:
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