



# MULTI DIMENSION IMPACT ACCOUNTING (MDIA)

## About Peter Burgess

### Table of Contents

**Top 10 in the Burgess Background .....5**

**Contents.....5**

*Themes.....5*

*Places.....5*

    1 - Government is not the answer.....6

    2 - Natural Law .....6

    3 - We the people.....6

    4 - Context matters.....6

    5 - Accounting is very powerful.....7

    6 - How people are hard wired.....7

    7 - Amazing knowledge and technology.....7

    8 - Dysfunctional organizations.....7

    9 – Refugees.....7

    10 - Concentration of economic power.....7

    11 - Grand corruption.....7

    12 - Little things make a difference.....7

    13 - Appreciating religion.....7

    1 - England, Europe and North America.....8

    2 - India.....8

    3 - Pakistan and Afghanistan .....8

    4 - Nigeria.....8

    5 - West Africa.....8

    6 - Namibia .....8

    7 - Malawi.....8

    8 - Mozambique.....8

    9 - Madagascar and Mauritius.....8

    10 - Kazakhstan, Ukraine, former Soviet Union.....8

    11 - Kuwait, Saudi Arabia, Iran and the Middle East .....8

    12 - Horn of Africa – Ethiopia, Somalia, Somaliland.....8

    13 - Thailand, Burma, Laos.....8

    14 - Japan, Taiwan, Korea and China.....8

**Peter Burgess ... General Background.....9**

**Peter Burgess ... Corporate Experience.....12**

    Davy United Engineering Co. Davy Ashmore Group Sheffield UK.....12

TrueValueMetrics - Multi Dimension Impact Accounting (MDIA)  
 Top Ten Themes in the Burgess Background

Cooper Brothers (CB&Co) / Coopers and Lybrand (C&L) London UK.....	12
HA Simons International (HAS) Vancouver, BC Canada.....	13
Aerosol Techniques Milford, Connecticut.....	14
Gulton Industries Metuchen, New Jersey.....	15
Southern States Inc. (Gulton Subsidiary) Atlanta, Georgia.....	15
Continental Seafoods Secaucus, New Jersey.....	16
Burgess Management Associates (BMA) Montclair, New Jersey.....	17
<b>Peter Burgess ... International Experience.....</b>	<b>19</b>
Afghanistan.....	19
Bangladesh.....	19
Bahamas.....	20
Barbados.....	20
<i>Government Financial Management Reform Project</i> .....	20
Benin.....	20
<i>Continental Seafoods in Benin</i> .....	20
<i>BMA ... United Nations</i> .....	20
Burma.....	21
Burundi.....	21
<i>World Bank ... establishing a coffee auction in Burundi</i> .....	21
Cameroon.....	21
<i>Continental Seafoods in Camaroon</i> .....	21
Cote d'Ivoire.....	21
<i>Continental Seafoods in Cote D'Ivoire</i> .....	21
<i>BMA – United Nations</i> .....	21
Djibouti.....	22
Ghana.....	22
Egypt.....	23
El Salvador.....	23
Ethiopia.....	23
Gambia.....	23
Guinea Bissau.....	23
Guyanne Francaise.....	23
<i>Assignment for IPROMA</i> .....	23
India.....	24
<i>India ... Multi-State Cashew Development Project</i> .....	24
Iraq.....	24
Iran.....	24
Kazakhstan.....	24
Kenya.....	24
Kuwait.....	24
<i>Kuwait Institute for Scientific Research (KISR)</i> .....	24
Laos.....	25
Lesotho.....	25
Liberia.....	25
Madagascar.....	25
Malawi.....	26

TrueValueMetrics - Multi Dimension Impact Accounting (MDIA)  
 Top Ten Themes in the Burgess Background

<i>Integrated planning for refugee affected areas in Malawi</i> .....	26
Mali.....	26
<i>Office du Niger</i> .....	26
Mauretania.....	26
<i>Fisheries sector analysis</i> .....	26
Mauritius.....	26
Mozambique.....	27
Myanmar.....	27
<i>Myanmar (Burma) Fisheries Sector Development Planning</i> .....	27
Namibia.....	27
<i>Development Planning for Namibia</i> .....	27
Nicaragua.....	27
Niger.....	27
Nigeria.....	28
<i>Continental Seafoods ... Nigerian National Shrimp Company</i> .....	28
<i>BMA ... Nigeria National Shrimp Company</i> .....	28
Oman.....	28
<i>BMA ... Fisheries Sector</i> .....	28
Pakistan.....	28
Rwanda.....	28
<i>World Bank – Establishing a coffee auction in Burundi</i> .....	28
Saudi Arabia.....	28
Senegal.....	29
Somalia.....	29
Somaliland.....	29
South Africa.....	29
South Sudan.....	29
<i>Planning in refugee affected areas ... UNDP and UNHCR</i> .....	29
Sudan.....	29
Tanzania.....	29
Thailand.....	30
Togo.....	30
Uganda.....	30
Yemen ... Yemen Arab Republic (YAR).....	30
Yemen ... People's Democratic Republic of Yemen (PDRY).....	30
<b>Heading 1</b> .....	<b>30</b>
<b>Heading 2</b> .....	<b>30</b>
Heading 3.....	30
Heading 4.....	30
<i>Heading 5</i> .....	30



## MULTI DIMENSION IMPACT ACCOUNTING (MDIA)

### Top 10 in the Burgess Background

#### Contents

##### Themes

- 1 - Government is not the answer
- 2 - Natural Law
- 3 - We the people
- 4 - Context matters
- 5 - Accounting is very powerful
- 6 - How people are hard wired
- 7 - Amazing knowledge and technology
- 8 - Dysfunctional organizations
- 9 - Refugees
- 10 - Concentration of economic power
- 11 - Grand corruption

##### Places

- 1 - England, Europe and North America
- 2 - India
- 3 - Pakistan and Afghanistan
- 4 - Nigeria
- 5 - West Africa
- 6 - Namibia
- 7 - Malawi
- 8 - Mozambique
- 9 - Madagascar and Mauritius
- 10 - Kazakhstan, Ukraine, former Soviet Union
- 11 - Kuwait, Saudi Arabia, Iran and the Middle East
- 12 - Horn of Africa – Ethiopia, Somalia, Somaliland
- 13 - Thailand, Burma, Laos
- 14 - Japan, Taiwan, Korea and China

## Themes

### 1 - Government is not the answer

Arguably Britain has one of the better 'civil services', but when I was growing up and at college in the UK the common refrain about government was that it 'couldn't organize a piss up in a brewery'. Britain flirted with socialism after the Second World War and nationalized many important parts of the economy including the railways, iron and steel, electricity and coal mining. The results were not good, and maybe worse than they would have been under private ownership.

Government is needed for the oversight of a modern economy ... there needs to be governance. There needs to be rule of law, and a system that enforces the law, runs a justice system and a penal system. There are many things in the 'commons' that need to be managed, and this needs to be done with oversight from government.

The private sector does not have a history of making profit AND doing the right things with respect to society and the environment. In the late 19th century, the damage to the environment was substantial and working conditions in industry abysmal. Government had to make laws and regulations before industry put its house in order. A few companies were ahead of the curve, but not many.

For many years the United States has a very free environment for business innovation, but this was accompanied by massive environmental degradation. This started to change in the 1970s with the establishment of the Environmental Protection Agency by the Federal Government and many other new regulations since then.

I visited Europe and North America when I was still a student. Europe was not much different from the UK except it seemed the architecture was more picturesque and of course the many different languages was a confusion. Canada and the United States were very different. My first visit to North America was in the summer of 1960 when Eisenhower was still President of the United States and Fidel Castro had just taken over control of Cuba. I saw both of these people when they were in New York for the annual United Nations General Assembly. Eisenhower was in an open limousine waving to the crowd as it turned from 42nd Street onto 3rd Avenue. This was three years before President Kennedy was shot in Dallas when he was driving in another open limousine. I saw Fidel Castro holding forth from a balcony of the Cuban Mission to the UN at

### 2 - Natural Law

### 3 - We the people

### 4 - Context matters

**5 - Accounting is very powerful**

**6 - How people are hard wired**

**7 - Amazing knowledge and technology**

**8 - Dysfunctional organizations**

**9 – Refugees**

**10 - Concentration of economic power**

**11 - Grand corruption**

**12 - Little things make a difference**

**13 - Appreciating religion**

## **Places**

- 1 - England, Europe and North America**
- 2 - India**
- 3 - Pakistan and Afghanistan**
- 4 - Nigeria**
- 5 - West Africa**
- 6 - Namibia**
- 7 - Malawi**
- 8 - Mozambique**
- 9 - Madagascar and Mauritius**
- 10 - Kazakhstan, Ukraine, former Soviet Union**
- 11 - Kuwait, Saudi Arabia, Iran and the Middle East**
- 12 - Horn of Africa – Ethiopia, Somalia, Somaliland**
- 13 - Thailand, Burma, Laos**
- 14 - Japan, Taiwan, Korea and China**



## MULTI DIMENSION IMPACT ACCOUNTING (MDIA)

### Peter Burgess ... General Background

I grew up in Okehampton, a small town in the South-West of England. We moved to Okehampton in 1945 at the end of the war, from Surbiton, a suburb of London, close enough to have experienced the 'blitz' and 'doodle-bugs'. My father was a schoolmaster, and he was a believer in the value of education, both academic and physical. My parents skimped and saved and at 13 I went to Blundell's School, a good boarding school in England, and then, in 1958, to Cambridge University.

Blundell's is an old school founded in 1604 by a local textile merchant. My time at Blundell's was busy ... rugby, cricket, athletics, tennis and academic study ... probably in that order. I was fortunate that I was at Blundell's when it expected high academic standards while also encouraging high performance in sports. I was a near contemporary of Richard Sharp who became one of the best English rugby players of our generation, and I was a part of a group of students that gained more places at Oxford and Cambridge than at any time before in the history of the school.

Sidney Sussex is a small college at Cambridge, not very well known, but very comfortable in its skin. While I was at Sidney, we reached the finals of the inter-college rugby tournament despite our small size, losing to St. Johns. I did what might now be called a "double major" in engineering and economics. I did the Mechanical Sciences Tripos followed by the Economics Tripos Part II ... essentially five years of academic work in three years.

The combination of engineering and economics has been the foundation of most of my thinking for the past 50 years. Cambridge engineering had a lot of metrics and calculation that spread over every aspect of the engineering world. This was in an era before computerized calculations, but manual calculation is possible, and we had sliderules. I maintain I learned very well the fundamentals of the calculations. Part of the course requirement was time in a practical engineering environment, which I satisfied by working in the apprentice programme at the Royal Ordnance Factory in Chorley, Lancashire. I still remember the challenge of making a 1X1X1 inch cube in steel that would push fit into a 1X1 inch square hole in a 1 inch thick steel plate ... using hand tools! My respect for craftsmanship is undiminished 50 years later.

I got into economics in part because I did not want to specialize in a specific engineering field. Economics gave me the opportunity to do study that related to almost everything. Not surprisingly, my economics education had a Keynesian slant at the hands of Joan Robinson and a fine tutor, Andy Roy. It was also influenced by my membership in the Cambridge Canada Club which organized annual charter flights from the UK to New York every summer. I took advantage of these flights in the summer of 1960 and 1961 and in the process learned something of the



TrueValueMetrics - Multi Dimension Impact Accounting (MDIA)  
Top Ten Themes in the Burgess Background

world outside the UK, not to mention getting a very different perspective on economics and possibilities.

My travel to Canada and the United States in the summers of 1960 and 1961 has had a big influence on my subsequent career path. I also had some opportunity to travel in Europe. The combination of some exposure to Europe and North America complemented my otherwise very 'British' background.

Immediately after college, I worked in heavy engineering with Davy United Engineering Company. Subsequently I got a professional training in accountancy as an Articled Clerk with Cooper Brothers in London ... that joined with Lybrand Ross Bros and Montgomery to form the international accounting firm of Coopers and Lybrand and then PriceWaterhouseCoopers. I became a Chartered Accountant in 1965.

The first major phase of my career has been work in the corporate sector. I worked in heavy engineering construction in the steel industry, the pulp and paper industry and civil engineering, consumer products, high-tech systems and food and fisheries. Most of my work has been to do with management and ways to plan and implement profit improvement initiatives. By the mid 1970s I was the Chief Financial Officer for a US based international fishing company operating around the world in 26 separate jurisdictions. I was part of an international team in a complex industry that was well managed and solved problems creatively.

The second major phase of my career was working as an independent consultant. In 1978 I started a consulting firm to specialize in international business and development and have done assignments in more than 50 countries for the World Bank, the UN and its specialized agencies and private organizations. The assignments have always had a focus on data, analysis and planning for various parts of the economy including sector planning, national planning, refugee planning, famine and drought emergency planning, national reconstruction planning, aid coordination, information technology planning and implementation, privatization, management training, etc. I have had the opportunity to do planning and analysis work at the national level, the sector level and for regions and communities. My work has been done largely in collaboration with local local staff, consultants and professional firms.

The third phase of my career ... where I am now ... is to look at our global society and economy with the benefit of experience and try to get answers to some basis questions

- Why is the global society and economy so dysfunctional?
- Why are so many educated youth unemployed?
- Why are guns more important than food, water and other basic needs?
- Why, compared to what is possible, is performance so poor?
- and so on

I am unusual in that I have practical experience in the corporate world making companies more profitable and have done my fair share of assignments associated with relief and development. I think of myself as being practical, constrained by what is technically possible, and a believer in solutions that are derived from not only understanding qualitative information but also understanding the dynamic of technology, of economics and the accountancy of financial numbers.

TrueValueMetrics - Multi Dimension Impact Accounting (MDIA)  
Top Ten Themes in the Burgess Background

I concluded a long time ago that the capacity of the international community to achieve relief and development progress required a new development paradigm. This resulted in a book manuscript under the title Turning Development Upside Down which was not published but rewritten under the title Revolutionary Change for Relief and Development and again rewritten with a different focus under the title Iraq, A New Direction. I also published a paper titled Hundreds of Issues that Impact Relief and Development Progress. These were all published using Lulu.com by my company Tr-Ac-Net Inc. through its Transparency and Accountability Network.

While so much is wrong, there is also a lot that is right and amazing. There are two things that are particularly positive:

The world has more knowledge than ever before. Science and technology have progressed in an amazing way during the past 50 years and it is possible to do things now that were impossible a few short years ago; and,

Around the world there are more young educated people than at any time in history.

These two facts should be the basis for a future of progress, peace and prosperity. Based on this there should be optimism about everything, and enthusiasm about the future. But there is not ... many people are depressed about the future and the global economy is 'in a funk'.

So while I am pleased ... up to a point ... with the work I have done during my career, the results of my work so far have been inconsequential. None of the systemic paradigm changes that are needed have been made. From this perspective I have been totally ineffective, but I continue to try. I am particularly encouraged because many of the issues that I have wanted to be part of the conversation are now being talked about, and I am also encouraged that some of the critical technology to make certain changes possible are now available. The problem is that the links between what is talked about and what needs to be done are still tenuous at best ... or not existing. There is still more talk about the issues, than talk about the solutions to the issues. There is a huge amount of academic work, rather less practical work.



## **MULTI DIMENSION IMPACT ACCOUNTING (MDIA)**

### **Peter Burgess ... Corporate Experience**

#### **Davy United Engineering Co. Davy Ashmore Group Sheffield UK**

Going from academic engineering in the university setting to one of the biggest and best heavy engineering machine shops in the UK was a major reset. This was 1961 when the world was building more integrated iron and steel mills than at any previous time in history, and Davy United was in the middle of this boom. We were designing and building integrated steel mill projects all over the United Kingdom and around the world including India, Australia, South Africa, Turkey, Mexico, Sweden and Finland. We specialized in rolling mills, but other members of the group built blast furnaces as well as the pressure vessels for nuclear power plants.

Part of my experience in this factory environment was trying to understand how the company's accountants determined costs and how the company's marketing department determined contract prices. What I learned shocked me, because the cost accountants did not understand how the factory costs behaved and nor did the marketing department. This was a big issue because the technology of steel mill operation was rapidly changing and brute strength was now being merged with quite sophisticated (for 1961) hydraulic and electro-mechanical controls. Contracts based on the weight of the machinery was a disaster waiting to happen.

Fairly fast, I decided that in order to be part of the senior decision making management cadre I needed to know more about accountancy, and I started to find a place where I could get the training and experience. Eventually I landed up at Cooper Brothers in London.

#### **Cooper Brothers (CB&Co) / Coopers and Lybrand (C&L) London UK**

Many years later, Coopers and Lybrand merged with Price Waterhouse to form PriceWaterhouseCoopers

I was articled to Brian Maynard, a Partner at Cooper Brothers and Principal of the Coopers and Lybrand international management consulting practice. The experience working with CB&Co was very valuable as it combined learning about the theoretical principles of accountancy with real world work, in my case, on mainly audit and investigations. I had to do an obligatory stint on tax but it was the business and performance side of accountancy that got my interest.

To their credit CB&Co made use of my engineering background, giving me all sorts of assignments that involved cost accounting, and interesting factory related accounting issues. One of these assignments was a review of some World Bank work.

The task was to review and validate the costing of the Kariba Dam project that was being planned on the Zambesi River in the Federation of Rhodesia and Nyasaland. I was young and naive enough to want to get it right no matter what, and really rocked the boat when I concluded that the World Bank estimate was only about half what it needed to be. The World Bank engineers had made good cost estimates based on the static information about costs as they were now, or had been in the past ... but nobody seemed to have adjusted anything for the changes that surely would take place when a project of the magnitude of the Kariba dam was in progress. My calculations suggested that the actual cost would be twice what the World Bank was planning. Because I was part of Coopers and Lybrand, the firm's name carried weight and substantial changes to the estimates were made at the Bank, and the project was eventually a considerable success. Even though I was very young, within Coopers and Lybrand I had credibility because I had already worked as an engineer in the factory environment and done production costing work prior to joining the firm, and understood economics from my academic work at Cambridge.

While the main focus of accountancy training is on financial accounting and audit, I was fortunate to be introduced to computer accounting at its very birth. I was part of the CB&Co audit team that was tasked with the audit of EMI Records Ltd ... a subsidiary of EMI that had built a computer and was using it to run its accounting and inventory system. This was one of the very first computers used for commercial applications. We developed an audit approach that would satisfy the prevailing audit expectations. Much of this experience was published in a book called 'An audit approach to computers' authored by the partner in charge Andrew Pinkney

### **HA Simons International (HAS) Vancouver, BC Canada**

I started my work at HA Simons (HAS) in their home office where a new computer was being used to manage the money aspects of all the firm's major projects for pulp and paper mill construction from initial design and costing, to construction control and management oversight. The system was a relatively simple budget and expenditure control system, but, for its time, very powerful because it was timely and integrated engineering design with money accounting very closely.

After a relatively short time I was transferred to a field accounting position in Texas where HAS was the engineer in charge of two major projects. one in Channelview near Houston and one in Silsebee near Beaumont. For both of these contracts, the general contractor was Brown and Root, one of the largest and best connected construction companies in the United States.

The HAS contract costing system was simple, but had enough detail and was timely enough to use for effective oversight of the contract. A few months into the work this report seemed to be showing that 2% of the moneys had been spent, but our observations of progress on the construction site suggested that only about 1% of the work had been done. I improvised some audit techniques to assess the actual costs being incurred relative to what our standards called for, and it demonstrated that the costs were running at about twice what they should have been. The HA project manager reviewed my work in detail, and eventually called the Brown and Root manager in charge to alert him to our findings. Next day which was a Friday there was a big meeting between HAS and P&R and on Monday there were only 700 workers on the site, compared to some 1,400 that had been there when I was doing my audit. The contract was eventually completed on time and very close to the original budget cost estimate.

HAS was an interesting company. It was probably the best consulting firm in the international Pulp and Paper Industry at the time. One of its claims to fame was their ability to design and build a greenfield mill in two years compared to the industry norm of around 4 years. At the time this represented a huge profit advantage to the owner of the mill.

In addition to my work as 'field accountant' I also had the job of expediting materials required for the construction work. This was routine most of the time, but there was a situation over Christmas 1966. The Eastex Pulp and Paper Mill was being expanded and for the first time since it opened, it was being shut-down so that major cut-ins could be completed. The plan was for the plant to be shut down for 3 days ... 72 hours ... but during the work some damage was done to some critical electric cables which meant that the existing plant would not be able to start-up again. When profits are at stake, the American system can work very fast, even over a Christmas holiday. The HAS team located the big generators we needed, got them onto planes, moved them to Texas and got them ready to go. The start up was delayed by just 4 hours.

## **Aerosol Techniques Milford, Connecticut**

I joined Aerosol Techniques (ATI) to be part of a young management team that was working to introduce modern management concepts into a company that had had rapid entrepreneurial growth and great success, but in many ways was 'out of control'. Our team worked closely with the Harvard based consulting firm Management Analysis Center (MAC). My first work was in connection with making a formal budget system work as an integral part of a planning and accounting system. On the strength of this work, I was appointed the Division Controller for the biggest manufacturing division and in collaboration with another team member, we introduced a new way of optimizing factory production to get control of the labor costs and operating efficiency. I was also charged with fixing the computer.

In the late 1960s, Aerosol Techniques installed a mainframe computer ... which initially did not work. I became responsible for fixing the problem and making the computer do something useful for the company. The Harvard based Management Analysis Center consulting firm worked on this as well, and several Harvard Business School cases were based on the work. The company had been very profitable and available cash had been invested in facilities expansion ... but not well ... beautiful architecture but poor production engineering. My cost analysis showed that no amount of cost reduction would make the main new factory investment contribute to profit ... no way, no how! The most unpopular short report in the company. I did a lot of other work on cost analysis and how to make products contribute to profit ... costs depend on the product design and the factory process, not on how the accountant fiddles around with the numbers!

I worked on a series of possible acquisitions, doing the operating and financial analysis of many different companies broadly in the same line of business as ATI. In my view most of the companies I worked on were priced far higher than could be justified based on solid financial analysis. One company, Oxzyn in Trenton, New Jersey, a company I did not work on was, however, acquired. It turned out to be a bad investment, and I was given the assignment to become its Controller and orchestrate profit improvement. We made considerable progress in profit improvement, and based on the physical plant the company started to do quite well. However, relative to the acquisition price, the company remained a drag on ATI's performance.

## **Gulton Industries Metuchen, New Jersey**

Gulton Industries was an early enabler of the computer era as a leading edge developer of miniature ceramic components for electronic systems ... their microceramics division. This led to military and space work where size and weight were important. The company supplied power supply equipment and communications equipment to the Apollo program and it was Gulton equipment that was used in the conversations from the moon! For internal management Gulton did things in an “old fashioned way” ... numbers on paper, but used them to manage high tech work! More cost analysis ... and identification of pieces of the business that were highly profitable, and those that were big and a huge drag on profit performance.

My initial assignment was as Budget Manager with the task of getting their budget process under control and helping to turn around massive losses and stem a disastrous cash outflow.

At the time, companies had started to do annual budgets but they were quite static. We created a budget process that was continuous with monthly updates and major decisions getting made based on the latest indicators of performance. Part of the process involved close scrutiny of assets employed ... balance sheet ... to identify possible surprises. This system helped to move the company from huge losses to modest profits in about 18 months. Every product line and manufacturing facility was analyzed and changes made to achieve profitability if possible. Some plants had to be closed and product lines discontinued.

## **Southern States Inc. (Gulton Subsidiary) Atlanta, Georgia**

After the Southern States unit of the company failed to improve, I was given the assignment to be the Unit Controller. Though the unit's President had been assuring the home office that the results were going to improve, our budget analysis suggested this was not happening. As controller I did more cost analysis, and determined that for this unit to improve profit performance it would require drastic management action. As a result, the President and four out of six VPs were removed. Interestingly, without the top level overhead, everything went better ... engineering ... marketing ... procurement ... production ... profits! In the new operating structure I was put in charge of Manufacturing while continuing with the admin accounting role.

One of my first moves was, not surprisingly in the area of reporting ... production reporting.

For years, a routine daily production report was circulated to “management” and department supervisors next day mid-morning ... it showed what had been produced, and most people knew what should have been produced, so they had an idea of how well the factory was doing. It was an excuse for a cup of coffee and a conversation ... not really very much more! As the new VP Manufacturing, I had the report modified so that at 8 am every supervisor estimated the production they anticipated for the day, just half an hour into the shift. By 8.30 everyone in management had an estimate of production for the day ... and we knew ... and maintenance knew where the problems for day were located. By 9 am the problems were being fixed ... and by the end of the day there was record production day after day after day! This is a simple application of engineering control theory ... very simple ... but very powerful!

Another example of matching analysis with reality was in connection with foundry costing and casting design.

As long as anyone could remember the engineers had used a cost per pound as the way to calculate cost ... with the result that they designed lighter and lighter castings. This method

resulted in lighter castings but ignored everything else. The behavior of cost in a foundry depends on many factors other than the weight of metal including the shape of the casting, the quantity being made, the process needed for the specific casting, scrap rates, the type and quality of the mold and so on. These are standard process elements, and by designing to reduce cost of each of these elements the foundry started to achieve higher production, lower costs and better castings.

There was another story associated with the foundry:

The foundry was critical to the whole production cycle and even with full operation on a two shift basis the foundry was limiting overall production. I proposed a third shift ... which was met with fierce opposition by everyone. But what else to do? No suggestions, so the third shift was implemented. The opposition was right ... costs were high, production was abysmal. Why? I turned up at 2 am in the middle of the night unannounced ... everyone doing nothing ... a key machine broken down. No maintenance ... not enough supervision. I called the maintenance manager ... 2 am ... and asked him what the problem was? Within days, with real supervision and adequate maintenance the night shift became the best of the shifts ... and proud of what they were doing! Management can make a difference!

## **Continental Seafoods Secaucus, New Jersey**

Continental Seafoods (CSF) was a completely different experience.

In some ways CSF was a very small company, but it had operations in 26 different jurisdictions around the world, and was involved with a very complex array of different legal business issues that affected operations and the way the accounting was done. Every country has its own business laws ... and their own fishing laws, rules and regulations, etc. There are international rules about ownership, flagging and insurance of vessels. There are rules about international trade, export taxes and import duties. There are rules about employment of local staff and rules for international staff ... about benefits ... about hiring and firing ... about taxes ... and remittances. There are fluctuations in market prices and fluctuations in currency exchange rates. There are very long supply chains for spare parts and everything else ... and getting materials through customs may or may not be quick and easy!

I became the CFO of CSF at the time of the first big oil shocks when business was being challenged with energy based cost structures changing dramatically. Markets adjusted, sometimes quite violently. Shrimp prices dropped by 75% while costs doubled. When I became CFO, the company was almost bankrupt, but we managed ourselves through the crisis and eventually the company became very profitable. I learned a lot about other international companies and how they operated. I did not like much of what I saw. Nor did I like the enormous gap between the wealth of a few and the poverty of everyone else.

I had to learn more to do the quite modest job of being CFO for this company quickly than at any time in my life. The CSF team were very accomplished ... and the operational staff were able to do amazing things as soon as there was some clarity about what needed to be done. When I joined CSF ... about six months after a new President and CEO had been appointed ... the company was in a cash flow crisis and very unprofitable. I was able to help focus the turnaround on what would make a difference very quickly ... and then do it with our very limited resources.

Within weeks of joining the company I made my first visit to our operations in Liberia in West Africa. As I fly into the country late Saturday afternoon, I see most of our fishing vessels tied up

at the dock. I am met at the airport, and taken to the best hotel in town ... and then checked into the best suite in the hotel! I was told that they would pick me up Monday morning to come to the office for a meeting! Clearly, the local team was uncomfortable have the new CFO getting in their way.

Sunday morning ... I take a taxi to the seaport, find the CSF office and announce myself! After the initial shock, I get a tour of the vessels, and the facilities ... production plant, cold store, maintenance workshops, spare parts stores, etc. By lunch time I have a pretty good idea of what is going on and what sorts of problems they are trying to handle.

It became pretty clear that the head office had been a big part of creating the current operating problems in the field ... spare parts inventory was on the books at a very big number ... but most of the spares were old and obsolete and useless to keep the current vessels in the fleet running. My predecessor had taken the view that it was better to keep obsolete spares on the books rather than write them off ... understandable, but it catches up with you. During the Sunday afternoon a list was made of the spares needed to get the vessels back in service ... almost \$500,000 of spares ... and it was telexed to the home office. By Thursday most of the spares arrived at the airport and were on the vessels very soon afterwards and the vessels went back to fishing again. The profit contribution to cover the cost of these spares was made back in about 10 days!

From then on my visits to the field were highly productive. Our job was not to find fault, but to find solutions to problems that could be very complex and not easy to solve without some creative thinking.

My position about financial controllership is that the job is to make it possible for operational managers to do excellent work ... and not to get in the way! I forget what we did on Monday when they originally planned to meet me!

## **Burgess Management Associates (BMA) Montclair, New Jersey**

I expected the main work of this consultancy to be profit improvement planning for US based companies, but in fact this became a very small part of the work. Instead, I became a consultant for the World Bank and the United Nations Development Programme (UNDP) doing international work, and also a consultant to some international private companies. Independent analysis and consultancy

My interest in relief and development performance had been developing over a long time. One of the defining moments was in Nigeria in late 1974.

I had a meeting scheduled in the center of Lagos at Western House, at the time one of the most prestigious buildings in Lagos. Two kids were dead just outside the building. Poverty and death in what was now a very rich oil producing nation. The juxtaposition of these things was something I had never expected. Up to then, in my youthful naiveté, I thought that money solved problems. This was a wake up call. Money is not enough.

I did my first BMA consulting assignment with the World Bank in 1978 and then did many more assignments over the years. However, it was a deep shock to see the state of management information in the official relief and development assistance (ORDA) community and in government agencies compared to what was being done in the private corporate sector. Throughout my corporate career, I was an enthusiast for management information as a tool for achieving high performance, whatever the endeavor.



TrueValueMetrics - Multi Dimension Impact Accounting (MDIA)  
Top Ten Themes in the Burgess Background

One of my memories of some World Bank work in India was being driven in a Mercedes Benz through the center of a city in Kerala in South India. The streets were crowded. We were stuck in traffic and pedestrian throngs. I could feel hate from the people surrounding the car. They were well justified in their emotions. It was very uncomfortable. Next day ... because I was a “World Bank Consultant” ... I was asked to make a brief presentation at a local Rotary meeting and was on a panel with a local Catholic priest. Our World Bank project was a multi-hundred million dollar project ... which my analysis suggested would do almost no sustainable good ... and the priest had almost no money and was doing quite incredible work that was saving lives and mitigating misery. I was embarrassed ... but did my best “cover up”!

As a young student in engineering I had learned some thermodynamics ... and especially the concept of efficiency. The idea of small resources doing big things was essentially a thermodynamic concept applied more universally. The World Bank was big but inefficient, the Catholic priest small but efficient. I have not been impressed with relief and development performance from very early on in my relief and development experience. The sort of rigorous technical, economic and financial analysis that had been so effective when I had used it in the corporate world to help improve profit performance was not being used in the relief and development world.

During the famine in Ethiopia in the 1980s, one of my consulting colleagues became very upset about my criticism of the development process and the results it was achieving. As consultants, we were doing very well. The more that development failed, the more consultants earned. However, after working with me several weeks, and seeing the financial analysis and economic value analysis that I was doing, he understood why I was so very critical.

I bring to the analysis of development a unique combination of technical, economic and accounting knowledge, but also a deep respect for human factors. I have an appreciation of both the limits and amazing possibilities of technology. I respect traditional values and culture that are so important in a family's quality of life. I respect other people's knowledge.



## **MULTI DIMENSION IMPACT ACCOUNTING (MDIA)**

### **Peter Burgess ... International Experience**

#### **Afghanistan**

After the Soviets withdrew from Afghanistan in 1991, the UN mounted a post-war assessment and planning mission to assist the Afghan authorities in their critical recovery from years of Soviet occupation and violence. The US and others provided substantial assistance for many years to assist in pressuring the Soviets to withdraw. The UN mission was headed by Winston Prattley, a highly respected veteran of the United Nations system with vast experience on handling difficult situations. My role on the team was to help identify and analyze the available data about the state of the country, its needs and potential. For security reasons the project team was based in Islamabad, Pakistan and did field work into Afghanistan from there in cooperation with a UNDP cross-border development initiative based in Peshawar. The team completed a preliminary planning missions and reported back to the UN headquarters, and to the leading international actors who had been engaged with Afghanistan for many years. For reasons that were incomprehensible from the perspective of our field analysis, the potential supporters of a comprehensive post-war rebuilding initiative for Afghanistan decided to withdraw completely from the region, effective instantly. This was the response in Washington, in London, in Paris and in Brussels to my knowledge.

Our team already knew that there were important tensions in the area, as there have been for hundreds of years, and there were growing fund flows into Afghanistan from various regional countries like Iran and Saudi Arabia in support of a variety of ethnic, religious and political agendas. These were the early signs of what eventually became the rule of the Taliban in the political sphere and the expansion of drug production in the economic sphere ... results that were quite predictable when the broader international community decided to withdraw totally.

#### **Bangladesh**

My first working contact with Bangladesh goes back to the late 1970s when we tried to arrange a joint venture shrimp fishing venture in Bangladesh. Our company was already a major purchaser of shrimp in India for sale in the United States, and we were looking at opportunities to produce a higher value product to international standards in the region. As it turned out a competitor convinced the local authorities that they should monopolise the Bangladesh shrimp fishery rather than our company. They won in large part because they had a fleet of shrimp trawlers rapidly available while we would have taken almost two years to build and deploy new trawlers. Our

competitors trawlers were available because of a failed venture in South East Asia ... but that was not common knowledge in Bangladesh!

I have been a follower of the Grameen Bank and BRAC stories since the early 1980s. These two organizations founded in Bangladesh are arguably among the world's best development organizations. Bot Muhammad Yunus and Fasel Abed, the founders of these organizations, have been recognized internationally for their initiatives. There are many important lessons that I have learned from their work which have been incorporate in my work for a very long time.

## **Bahamas**

There was a time when I was consulting with a shipyard, St. Augustine Shipbuilding in Florida. They had built several shrimp trawlers for our international clients, and I joined a joint marketing effort of the shipyard to sell high speed US built patrol boats to the Navy of the Bahamas. It proved to be an interesting experience since we were competing against a British shipyard that had the support of the UK government. Our vessels had far superior performance and a lower price. Compared to the UK government involvement, the US government was MIA. We lost the contract. The Bahamas got a 'solid' British product, but in addition the Bahamas got all sorts of bilateral aid that had been essentially conditional on giving the contract to the British shipbuilder in the UK.

It would have made sense for the US to have supported this project since the main duty of these patrol vessels would have been the interdiction of high speed vessels carrying drugs into the United States.

## **Barbados**

### **Government Financial Management Reform Project**

1995-1996

This was a project funded by the InterAmerican Development Bank (IADB) and implemented by the Barents Group of KPMG. I was recruited by KPMG and initially assigned to some work in the former Soviet Union. I was relocated to Barbados to define the requirements of the Barbados Government Treasury as the government upgraded its existing legacy mainframe computer systems to a comprehensive distributed client server architecture.

## **Benin**

### **Continental Seafoods in Benin**

I was associated with Benin (then Dahomey) in the 1970s when Continental Seafoods had a small operation based there. We closed this operation and merged it into our operations in the Cote d'Ivoire and Liberia.

### **BMA ... United Nations**

Years later I returned to Cotonou on an evaluation mission for one of the UN agencies. The project had to do with training, and encouraging transparency, but it was structured in a way that made it almost impossible to be successful. This related to the nature of the state at that time.

Benin had a communist government, and the project was under the oversight of the Ministry of Justice. While the individuals in the project team did their best, the basic structure of the project ensured a poor outcome. They were trying to inject transparency into a unit of the ministry that also controlled the State's security apparatus.

## **Burma**

See Myanmar

## **Burundi**

### **World Bank ... establishing a coffee auction in Burundi**

I did work in Burundi just before the Rwanda genocide, and the regional turmoil that ensued. I was working for a World Bank project that was reorganizing the coffee industry in the country in order to introduce a coffee auction system for coffee exports and otherwise modernise the industry. My work was to do the analysis required to show that the project was being successful, and demonstrate that the coffee auction should be adopted by the government as the primary method for determining prices. I was able to demonstrate that the prices being obtained by a government controlled export company were considerably lower than would have been obtained by an auction system, and projected a substantial improvement as a result of the auction process. In the actions that subsequently were started, the actual prices achieved were way in excess of what I had predicted. This would have been incredibly important for Burundi, but this major improvement in their economic situation was not to be realized because of the Rwanda crisis and the spillover into Burundi.

## **Cameroon**

### **Continental Seafoods in Camaroon**

My first contact with Cameroon was in the 1970s when Continental Seafoods has a small operation based there. We closed the operation and merged it into our operations in the Cote d'Ivoire and Liberia. Some time later I returned to the Cameroons in order to assess the potential of establishing a larger fleet operation there.

## **Cote d'Ivoire**

### **Continental Seafoods in Cote D'Ivoire**

My first contact with the Cote d'Ivoire was in the 1970s when Continental Seafoods (CSF) was reorganizing the operation there to make it profitable. Part of the strategy was to operate a larger fleet with better support facilities. This worked well and the operations in the Cote d'Ivoire made a good contribution to CSF for a number of years.

## **BMA – United Nations**

I worked on several UN assignments in the Cote d'Ivoire doing project evaluation missions. This included a sensitive mission to assess the management capacity of several ministries in the government. Some of my other work in the Cote d'Ivoire involved the African Development Bank that was based in Abidjan. One of these assignments was involved with the management training being conducted in the bank, and how well it satisfied the needs.

## Djibouti

IGAD ... the Inter Governmental Agency for Development ... has been based in Djibouti since it was founded (under a slightly different name) in the late 1970s. IGAD has been a partner agency in several UN assignments I have worked on in the Horn of Africa during the 1980s and 1990s. Because of this some of the workshops and meetings have been held at the IGAD offices in Djibouti.

In more recent years Djibouti has become the base for US forces in the area (this area includes both the Arab penninsular, the Horn of Africa and to some extent North Africa). I am not convinced that leaders in the most powerful countries appreciate the negative impact of military bases in small and essentially very weak countries ... and are doing enough to offset this.

The meetings I have had in Djibouti in the 1980s and 1990s suggest to me that everything is a lot more complex than most people will ever comprehend ... and the misinformation that floods into the news cycle is a tremendous problem for effective decision making.

## Ghana

My first visits to Ghana were in the 1970s. My company, Continental Seafoods, was always on the lookout for joint venture shrimp fishing opportunities in West Africa, and some of our management staff had moved on to work for bigger tuna fishing companies based in Tema. As it turned out we were never able to arrange to operate in Ghana while I was employed by the company. This was to some extent because the people involved ... the reason is readacted!

Later, I came back to Ghana in connection with work I was doing to understand the role precious minerals were playing in economic development. Gold has been an important product for Ghana for centuries, and the industry is important to the performance of the country. It is also fairly apparent that the value of the gold does not translate very well into prosperity for the country. At one level, international companies are structured to export the wealth, and at another level relatively few local partners are organized to make substantial profit for themselves, while doing rather little for the country in general. This is not what the propaganda says, but it seems to be what the money flows show. On one of my visits to Ghana in 2000, I was arrested ... it appears my inquiries were bothering some of the more powerful people in the country ... and while it is true that my inquiry was leading me to the conclusion that all was not well in the Ghana gold business, I was a little surprised that there was this level of concern over my investigations. Of course, what was somewhat ironic, I met in jail some others who were involved in different aspects of the gold business who were also in jail for their roles outside the visible (controlled) gold sector of the economy. Gold is shiny on top ... but underneath, the reality is somewhat different.

## **Egypt**

Assignment information to come

## **El Salvador**

Assignment information to come

## **Ethiopia**

Assignment information to come

## **Gambia**

Assignment information to come

## **Guinea Bissau**

Assignment information to come

## **Guyanne Francaise**

### **Assignment for IPROMA**

This assignment was in connection with the possible development of a deep shrimp fishing operation in Guyanne Francaise starting off with the acquisition of a local company. The potential of the fishery would have supported a medium sized fleet, except for the problem of employment regulation and taxation which was following French practice in Europe. With this constraint the financial analysis showed that the acquisition and subsequent investment would not be viable.

## **India**

### **India ... Multi-State Cashew Development Project**

July 1978 – December 1978

This was my first consultancy assignment for the World Bank was to do financial analysis on an appraisal mission of a Multi-State Cashew Development Project in India. I already knew something about India as a supplier of shrimp for my previous company Continental Seafoods. I was impressed by the competence of the Indian Administrative Service (IAS) who coordinated our work, and the potential of the work of the World Bank to make a significant difference in development progress. I also learned that rational analysis can also be trumped by local behavior that I do not understand. The project was subsequently implemented successfully. less

## **Iraq**

Assignment information to come

## **Iran**

Assignment information to come

## **Kazakhstan**

Assignment information to come

## **Kenya**

Assignment information to come

## **Kuwait**

Assignment information to come

### **Kuwait Institute for Scientific Research (KISR)**

1983 – 1986

I participated in a team of the Mariculture and Fisheries Department of the Kuwait Institute of Scientific Research undertaking a multi-year study of the Economic Effects of Effort Limitation in Kuwait's Fisheries. My corporate fisheries experience was used to clarify the impact of investment on the fishery, and to demonstrate that in the fisheries sector, more is not always better.

## **Laos**

I did some assignments in Laos for the World Bank in connection with their program of privatization. My task had a focus on the financial valuation of parastatal units owned by the government that were to be sold. One of the lessons learned was the dangerous disconnect between policy and reality. The policy was that government owned units should be privatized because the conventional wisdom was that the private sector could operate business entities more profitably than government. This may be true, but in the process private business owners in their effort to maximize profit are often willing to damage the environment in dangerous ways.

Chinese and other foreign businessmen were will to pay high prices relative to the financial balance sheet for sawmills being sold by the government under the privatization program. The key asset was not the physical plant, but the access to Lau forests for the lumber, something that was difficult to value, but huge. Lower level government officials did not understand this issue, and nor did the junior level World Bank project staff. I argued that no sale of these sawmills should go forward until there was a clear policy in place for the management and preservation of the Lau forests.

## **Lesotho**

Assignment information to come

## **Liberia**

I have done a number of assignments in Liberia. My work in Liberia started with my work with Continental Seafoods which had a fleet of around 20 trawlers based in Monrovia. This operation was closed down just before the coup by Sargent Doe which killed President Tolbert.

## **Madagascar**

Assignment information to come



## **Malawi**

### **Integrated planning for refugee affected areas in Malawi**

1987 – 1988

I was team leader for UNDP in this multi-agency planning exercise for the refugee affected areas of Malawi. During the 1980s a long lasting civil war in Mozambique resulted in several million internally displaced people (IDPs) in Mozambique and large scale refugee flows into Malawi and Zambia. When the work was launched there were about 300,000 Mozambican refugees already in Malawi, and six months later the total had increased to around 1.1 million.

This required substantial mobilization of resources for Malawi and for the UN system, especially UNHCR. The planning work our team did was the basis for fund raising and effective use of funds.

I was fortunate to be working with a very competent group of experts from different agencies, and also local counterparts who kept senior level government officials apprised of the work so that government's formal approval of the work was given within hours of the work being 'finalized'. This proved problematic, because the UN system could not do the same from its side!

About a year later the World Bank became concerned that the resources being deployed in refugee affected areas of Malawi would have macro-economic side effects that would be damaging to the national economy. I participated in this World Bank analysis, and learned from this something of the massive disconnect between monetary analysis and the economics of real people, and how this was contributing to policy dysfunction and failed development.

## **Mali**

### **Office du Niger**

1997

## **Mauretania**

### **Fisheries sector analysis**

## **Mauritius**

Assignment information to come

## **Mozambique**

Assignment information to come

## **Myanmar**

### **Myanmar (Burma) Fisheries Sector Development Planning**

June 1981 – December 1981

Worked with a World Bank project appraisal team on a Fisheries Sector Development Project in the Irrawaddy Delta. My work on the analysis of the People's Pearl and Fisheries Corporation (PPFC), the parastatal enterprise responsible for the government fishing sector showed that there was massive over-investment in the fisheries sector funded irresponsibly by many international donors. As a result the World Bank did not proceed with its planned project ... mitigating to some modest amount the problems being faced by the sector.

## **Namibia**

### **Development Planning for Namibia**

March 1990 – 1991

Namibia gained its independence on March 20, 1990. The next day I started work on the first development plan for the newly independent nation working for UNDP and the National Planning Commission. I was part of a three person team comprising, Pekka Korpinen, Amadou Sarr and myself. We assisted in the development of a plan to support a request to the international community for development assistance, and in May 1990 a UN pledging conference in New York obtained pledges amounting to \$700 million ... exceeding all expectations. Subsequently I was called in by the National Planning Commission and UNDP to assist with aid coordination and the mobilization of the pledges. It proved a challenge to align the needs of Namibia with the wants of the various donors ... but considerable progress was made ... and lessons learned, by me if not the donors!

## **Nicaragua**

Assignment information to come

## **Niger**

Assignment information to come

## **Nigeria**

### **Continental Seafoods ... Nigerian National Shrimp Company**

1974 – 1979

Continental Seafoods Inc (CSF) entered into an agreement with the Federal Military Government (FMG) of Nigeria to build and operate a shrimp processing plant, fish port, and fleet of vessels in Mid West State, Nigeria. Soon after I became CFO of CSF, it became clear that this project was not progressing well, and I had to take on the role of acting project manager pending recruitment of a new project manager. There were hundreds of 'lessons learned' and the project was completed successfully, though there was the Gowon coup in 1975 and subsequently the assassination of Murtala Muhammed and massive changes in the economy of Nigeria from the conceptualization of the project to its operational launch.

### **BMA ... Nigeria National Shrimp Company**

Sometime after I left the company, the NNSC was effectively nationalized by the government. I had fortunately arranged for OPIC insurance against political risk!less

## **Oman**

### **BMA ... Fisheries Sector**

## **Pakistan**

BMA ...

Assignment information to come

## **Rwanda**

### **World Bank – Establishing a coffee auction in Burundi**

While I was working on the establishment of a coffee auction in Burundi I was asked to visit Kigali in order to assess the potential for a similar coffee sector project in Rwanda. By this time it was apparent to me that the coffee auction in Burundi was going to be a success, and similar improvements in the operations of the coffee industry in Rwanda might also be possible.

This visit took place as the infamous Rwanda genocide was starting to unfold. I did not learn much while I was in Kigali, but on a flight Bujumbura – Kigali – Paris a few days later I was sitting next to a French diplomat based in Kigali who told me of recent massacres that had taken place including many hundreds recently killed in the sports stadium in Kigali.

## **Saudi Arabia**

Assignment information to come

## **Senegal**

Assignment information to come

## **Somalia**

Assignment information to come

## **Somaliland**

Assignment information to come

## **South Africa**

Assignment information to come

## **South Sudan**

### **Planning in refugee affected areas ... UNDP and UNHCR**

1982 – 1983

I was based in Juba. My UNDP assignment was to assess needs for relief and development assistance associated with Ugandan refugees in the Equatorial Region of South Sudan. The problems were compounded by the closing of the borders and no practical land routes in or out of the area. My experience with UNHCR was very positive, and I consider them to be one of the best of the UN specialized agencies.

## **Sudan**

Assignment information to come

## **Tanzania**

Assignment information to come

## **Thailand**

Assignment information to come

## **Togo**

Assignment information to come

## **Uganda**

Assignment information to come

## **Yemen ... Yemen Arab Republic (YAR)**

Assignment information to come

## **Yemen ... People's Democratic Republic of Yemen (PDRY)**

Assignment information to come

# **Heading 1**

## **Heading 2**

### **Heading 3**

#### **Heading 4**

#### **Heading 5**