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THE ROLE OF NATIONAL MANAGEMENT INSTITUTIONS IN ASSISTING  
THE MANAGERS OF INDUSTRIES SOLVING SHORT AND LONG TERM PROBLEMS:

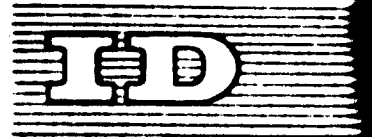
AN INSTITUTIONAL APPROACH <sup>1/</sup>

by

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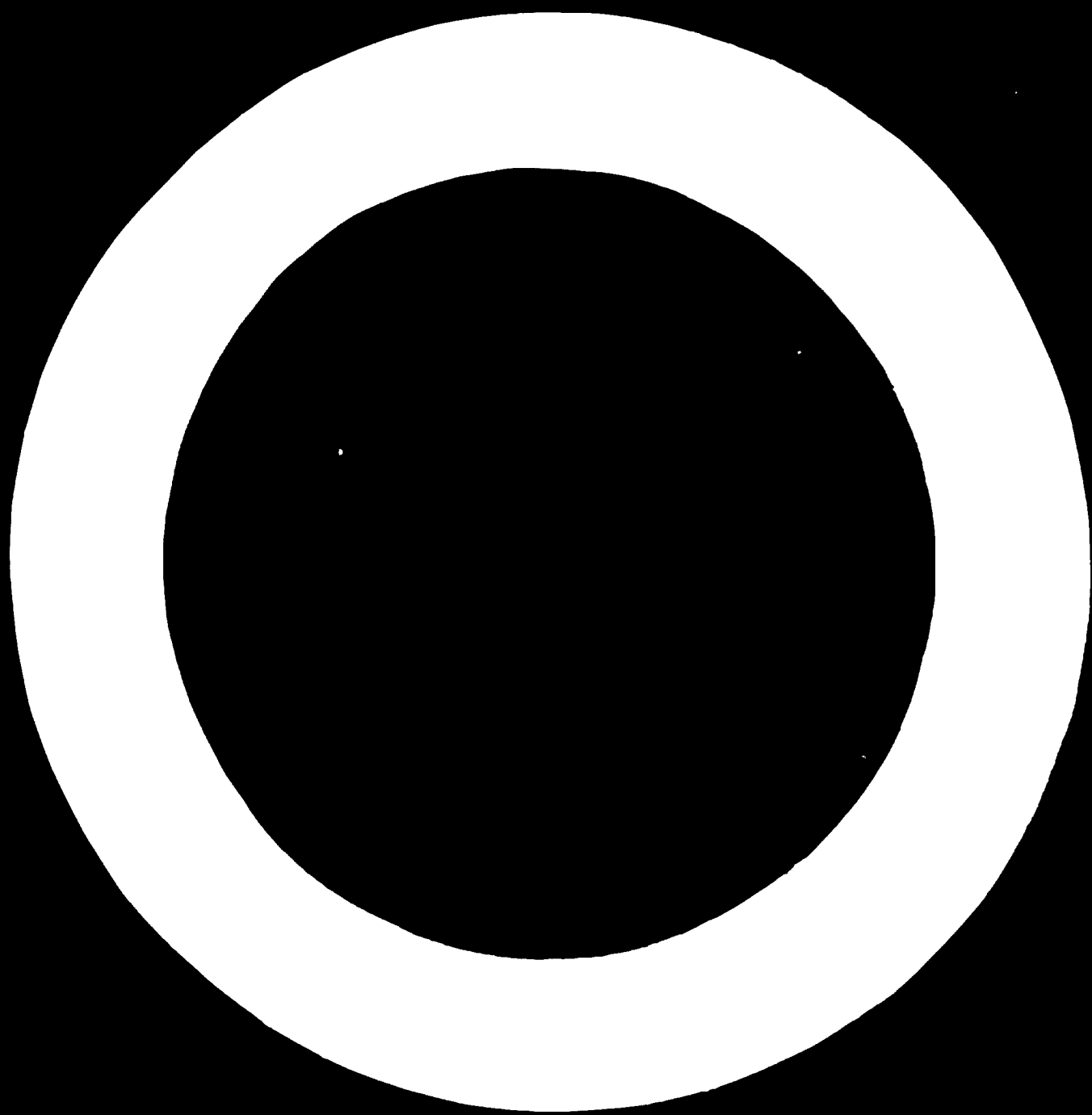
AN INSTITUTIONAL APPROACH

Corrigendum

Cover page: Change the author's affiliation to read as follows:

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## CHAPTER I

### THE CATALYTIC ROLE OF THE NATIONAL MANAGEMENT INSTITUTIONS TO MEET THE REQUIREMENTS OF THE INDUSTRIAL MANAGERS

A management institution, as distinct from a technological institution, has to deal with subjects which have wider social, economic, psychological and political variables.

Dr. Gunnar Myrdal, Director, Swedish Institute for International Economic Studies, has classified the variables in six broad categories as listed below:\*

1. Output and Incomes
2. Conditions of Production
3. Levels of Living
4. Attitude Towards Life and Work
5. Institutions
6. Policies.

Notwithstanding the basic importance of production and distribution systems, and associated organizations and methods, effective management today seeks to develop and operate these through appropriate human factors. These human factors provide the necessary cement for ensuring the adhesion of the rather dry and dreary sands of quantification of scientific management. A national institution engaged in management development in an industrializing country must therefore begin its task by fully recognizing the fact, that the transfer of the principles and practices of scientific management are adequately successful only when these are adopted through a process of adaptation, catalyzing the same through the socio-economic variables prevailing in the country. It is in this light, that the elaboration of the role of a national management institution in assisting the managers of industries in solving their short and long-term problems has to be understood.

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\* "Asian Drama" page 1860: The Penguin Press, England.

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Industrial and commercial activities have been going on in many countries of Asia and Africa for nearly four thousand years. Many of these countries had their own systems of manufacturing, accounting, and selling, which compared well to those of Europe till about the time of industrial revolution. Such systems had evolved in the natural environments of each country, and the ideas contained in many of these are often eminently suitable for serving their purpose even today, or at least lend themselves to modifications and improvements for facing the present day challenges. Take for example the "MIROKU" system of accounting developed in Japan in conformity with their needs. This is by far a simpler and better tool of management by projecting up to date information on the financial position, particularly for small and medium business than any of the contemporary European practices before the advent of computers. Similarly Japanese pattern of industrial relations based on loyalty, empathy, and paternalism had proved to be quite satisfying, both functionally as well as emotionally, both to the employers and employees, particularly in small and medium business.

A national management institution therefore has to search out those areas of strength in traditional patterns of management, - be that be in accounting, human relations, sales organization, or production, which serve their purposes well or which could be made to serve their purposes better, through a process of adaptation, with more modern but relevant ideas developed in the west. In such a process of adoption through adaptation, it is not good enough, merely to know the basic disciplines of scientific management in a mechanistic manner. It is equally important to know the prevailing practices and the relevant socio-economic variables of the country where these are sought to be applied. Indigenous experts who had received all their education abroad, not unoften prove to be even more ignorant about their own sources of strength than the foreign ones, because of depersonalization and distortion in their sense of values. This often resulted in faulty and irrelevant application of western models to their own situations, - in short, - bad management.

On the other hand and pleasantly enough, the broad mental spectrum of a good number of the foreign experts, like Dr. Gunnar Myrdal mentioned earlier, - spread over a large number of socio-economic variables in different countries, had proved



to be of great value in locating satisfactory indigenous systems. The curiosities and emotions of such foreign experts are often excited through the exotic appeals of unfamiliar situations, which lead to many new revelations about the values of the indigenous systems, - as distinct from the indiscriminate transplantation of western models. The process of adoption through adaptation of managerial themes developed in the Western countries therefore, needs much greater attention in the developing countries on an organized institutional basis, than what had been given to this in the past.

Much of the halting progress, or slowness in the spread of managerial knowledge in the developing countries could also be attributed to the weakness in their respective technological bases. No doubt a weak technological base, has a tendency to inhibit the spread of management knowledge, but irrespective of the levels of technology, the scope for the spread of a number of fundamental techniques of scientific management, through a process of adaptation is very large indeed. Taylor and Gilbreth's ideas could be adapted for running a village pottery shop or a carpenters yard, as these could be applied to work a mine, or manufacture machine tools or to build ships. Lack of competitions, monopoly or near monopoly conditions, certainly inhibits the process of management development. Poor standard of living of the people, lack of sense of belonging among the employees, class stratifications, pessimistic social attitudes, weak responses to monetary and non-monetary incentives, restrictive and unethical trade practices, faulty governmental regulations - all these have short and long-term repercussions on industrial management.

A lot of fundamental and well co-ordinated work is therefore involved in the publicity, training, consultancy, and research divisions of national institute, in the process of adaptation, so as to ensure that the "flow outs" and "feed back" to and from the field, are progressed in a systematic manner. A national management institution, in the course of dissemination of information and ideas for solving the short and long-term problems of the industrial managers must therefore be capable of being successful catalytic agent for receiving the ideas both from outside and inside the country, with a view to harmonize these and determine the most effective forms of their applications.

## CHAPTER II

### THE NATURE AND THE SCOPE OF THE PROBLEMS COMMONLY ENCOUNTERED BY THE INDUSTRIAL MANAGERS IN THE DEVELOPING COUNTRIES

The developing countries are by and large resource scarce economies. The industrial managers in such countries have to encounter such scarcity problems, whose ranges are at once vast, and their solutions complex and time consuming. Low skill bases, inadequacies of the technical services and skills, shortage of capital equipments, raw materials and infrastructure in general, - poor purchasing power and restricted size of the national market with low standard of living of the people, - social resistances and stratifications, - all these substantially affect the colour and the content of the managerial problems in the developing countries. In the circumstances, mere reproduction of the systems used by the managers in the developed countries, not only tend to be of limited value, but also leads to a good deal in effective displacements and confusions shaking up the confidence of the industrial managers in the efficacies or the practicabilities of the new systems. For example, an inventory control system operated in London, Paris, New York or Tokyo will be difficult to operate at Kuala Lumpur, Djakarta or Calcutta. Right from getting an import licence, securing allocation of foreign exchange, finding a regular supplier, who will be prepared to supply stores in small MOQs with or without credit arrangements, problems of over seas and overland transportation, proper packaging, - all these substantially affect the very bases of the system.

Broadly speaking the problems of the industrial managers in the developing countries are linked up with the three main areas of economic activities i.e., (1) Resource Development, (2) Resource Mobilization, (3) Resource Utilization. Good management is an essential ingredient for the successful operation of all these three areas of activities. Whether one wishes to develop the mineral resources, man-power or technology or whether one seeks to mobilize labour, machines and materials through bank credits, or determine the best method of using these in production work, - proper managerial talents will be required for the successful attainment of the objectives in all such activities. Implicit in it - of course is the all important use of human resources, -- properly motivated and tuned to their tasks.

The broad scope of management actions involved in all the above three spheres of activities would however get narrowed down, - when it is strictly confined to the direct responsibilities of an industrial manager, i.e. resource utilization. For example, if an industrial manager is interested in proper human resources i.e., healthy and educated young men as apprentices in his factory, or if he is interested in larger volumes of industrial credit or import facilities at favourable terms, then such interests are not the same as the management of the health or educational services, or bank credits, or import arrangements. Provision of such facilities are not the direct responsibilities of an industrial manager for effective utilization of resources, even though his activities may be vitally dependant upon successful management of such services. Nevertheless, - a national management institution could not and should not remain oblivious to the basic policies and programmes for resource development and resource mobilization, even though management of such activities may fall outside the direct responsibilities of an industrial manager primarily concerned with resource utilization. For a national management institution it will be logical therefore, that while primarily concentrating its efforts on training, consultancy, publicity and research work for the promotion of industrial management, - it should at the same time have the requisite capabilities for undertaking such field studies and research, which are vitally linked up with and which facilitate the process of industrial management, even though falling outside the normal responsibilities of industrial operations of an enterprise.

In the light of foregoing, the role of a national management institution in providing various categories of services for solving the long and short-term problems of the industrial managers, must primarily be those which concerns effective utilization of resources placed at their disposal. This means adoption, adaptation and development of proper techniques of planning, direction, co-ordination, motivation and control of the activities of an enterprise for raising the level of its productivity meet and through these meet other operational and social obligations of industrial management. Since adoption through adaptation and development of new techniques suited to the socio-economic environment prevailing in the country involves certain amount of field studies and research, - a national management institution must be prepared to undertake these through competent and matured management specialists with satisfactory academic and practical background. Such research efforts, - as mentioned earlier, may also be required in the related fields of resource development and resource mobilization,

which even though, may normally fall outside the activities of an enterprise, - nevertheless are vitally linked with its interests and the processes of management as a whole. A national management institution, should therefore be capable of effectively voicing its finding on such matters at appropriate quarters for policy formulation and programme implementation so as to safeguard the interests of industrial management, and economic development of the country at large.

While discussing the nature of the problems faced by the industrial managers, it will be desirable to examine as to what precisely constitute a short and a long-term problem. Though it is difficult to give any rigid definitions on this, - perhaps by and large it would be correct to say that those management problems which could be resolved by introducing better systems and better working methods within a short period, without any appreciable new financial investments, could be treated as short-term ones. In other words short-term problems are those which could be satisfactorily resolved through the industrial engineering techniques, including those which are being applied nowadays to deal with the human problems on a proper basis of quantification and evaluation. In other words for the purpose of some broad notional clarity, it will be sufficient to say that the short-term problems are those which are essentially concerned with better utilization of the available resources, whereas long-term ones involve resource development and resource mobilization over a period of time. We must not forget, however, that most of the techniques like PERT or Value Engineering, could be utilized both for solving short-term as well as long-term problems, and since many of short-term problems are also inextricably linked up with long-term problems, it would be undesirable to attempt any rigid and stratified classification. If a management specialist finds that a particular problem, which though prima facie appearing to be a short-term one, was in effect a long-term problem, then no doubt he will give the most appropriate advice to the client for solving it. In the subsequent paragraphs in this paper attempting delineation of the role of a national management institution to assist the industrial managers in solving their problems, no rigid line has been drawn to compartmentalize short-term problems from the long-term ones.

### CHAPTER III

#### THE ROLE OF THE NATIONAL MANAGEMENT INSTITUTION IN ORGANIZING PUBLICITY AND TRAINING PROGRAMMES FOR ASSISTING THE INDUSTRIAL MANAGERS IN SOLVING THEIR PROBLEMS

To begin with publicity and training programmes must have precedence over all activities in a national management institution, for initiating its programmes and for ensuring smooth functioning of other services developed by it. Publicity and training programmes are essential ingredients for creating awareness of managerial weaknesses at the enterprises, without which the requisite bases for effective consultancy services would seldom be available.

Just as in the case of preventive medicine, which reduces the incidence of diseases in society, - so also publicity and training, reduces the incidences problems in the industrial enterprises, by having a more enlightened and competent cadre of employees. Then again, when a problem has actually arisen, it is much easier to solve it through enlightened employees than the ignorant ones. The nature and the scope of publicity and training programmes, which directly and indirectly assist the industrial managers in dealing with the problems could be broadly classified under the following heads:

#### A. Publicity

##### 1. Productivity consciousness

The first and foremost task in this direction is the generation of productivity consciousness on an extensive front by propagating its basic tenets in a simple forthright language, avoiding sophisticated economics. Employers, employees, trade-union officials, public servants, students, - and intelligentsia at large, must clearly understand what productivity is, how the dynamics of productivity rise operate, and what are its benefits for an individual as well as for the community at large. When this happens, a lot of misunderstanding, frictions and dislocations in industrial operations are avoided. A simple book of this nature, for propagating the basic concepts of productivity on an international scale entitled "Productivity Means Prosperity" has been brought out in

Tokyo this year in the course of celebrating the Asian Productivity Year 1970, which happened to be written by the author of this paper (Enclosure I). In order to create a national movement, and print productivity on the national conscience at large, - apart from such publications, - films and other audio-visual media, essay, elocution competition and debates among the students, managers, supervisors, workers could be organized by the national management institution with considerable advantage. The benefits of a widespread productivity consciousness have both short as well as long-term benefits, in the way of setting the pace and motivating individual and group activities at industrial enterprises. It can help in resolving employer-employee disputes, it can set a moral tone and stimulate a spirit of self-examination at different layers of enterprise activities, - and as mentioned earlier it can help in building the much needed bases for training and consultancy work, for progressive improvements in enterprise operations.

## 2. Techno-managerial literature and training manuals

The essence of progressive management, is continuous surveillance over cost and quality, and prevailing situations in enterprise operations. With widespread productivity consciousness, - self-motivated managers, supervisors and workers, show increasing awareness of their problems, and begin to show desires to resolve these through their own efforts, in the light of latest developments taking place elsewhere. Such an awakened thirst for knowledge, if not met properly in time and with requisite depth, only causes frustrations and alienations. Training and consultancy work no doubt spreads such knowledge, but can never be so adequate and widespread to meet the country-wide needs apart from being expensive. Techno-managerial publications therefore go a long way towards solving the problems of industrial managers, who, through a process of self-exertion pick up a good deal of professional knowledge in their applied context. Such knowledge, is indeed an important contributory factor towards management development, and nowhere the importance of such knowledge has been better stated than in the following lines:

"There is only one thing that will train the human mind and that is the voluntary use of the mind by the man himself. You may aid him, you may guide him, you may suggest to him, and above all you may inspire him, but the only thing worth having is that which he gets by his own exertions, - and what he gets is in direct proportion to what he puts into it".

Dr. A. Lawrence Lowell  
President, Harvard University

It is desired to emphasize here once again, the importance of adoption through adaptation supporting this by reasonable amounts of research efforts in presenting the themes in such literature, if these are to be really effective. This calls for maturity of judgement and a high sense of realism on the part of the faculty members of the institute, entrusted with the tasks. It is essential to have adequate numbers of illustrations and case studies preferably indigenous ones, for ease in communication and assimilation by the readers.

### 3. Journals

A national management institute could publish journals and periodicals in aid of their publicity programmes, - which will at the same time provide opportunities to the practicing managers to exchange and publicize their experiences in solving different problems of management. This will also generate a sense of belonging to the main current of management development work in the country, both among the contributors and the readers of such a journal. It is important to provide sufficient numbers of pages for the readers to express their views, critical observations, praises and indignations on various issues concerning management. It is good to encourage unconventional writers and thinkers to contribute articles in such a paper, which could generate interesting controversies, - and some heat and light in the spectrum of management development. A properly developed and edited journal by the national management institution, reflecting both indigenous and foreign experiences, which is responsive to the thinking and the urges of the practicing managers and of the interested readers, go a long way in providing answers to many of the problems faced by industrial management.

### 4. Training kits and films

Apart from audio-visual aids in the way of slides, film strips etc., as kits for supporting the training programmes, regular films covering different topics could be used with great advantage for inculcating among the employees, - particularly among the supervisors and workers, some of the fundamental problems faced in almost all enterprises. A film library covering quality, cost, health, safety, waste elimination, labour management co-operation, and other subjects developed and operated by the national management institution, is most appreciated by the enterprises, and indeed is a boon towards solving their problems by providing an enlightened working bases for their activities.

## B. Training

The important role of training, in preventing the incidence of problems, as also resolving those which had arisen, by competent staff, hardly needs any elaboration. Planning, direction, co-ordination, motivation and control - all these essential ingredients of management, pre-supposes team work, which is essentially dependent upon effective communication both ways, in an intelligent and meaningful manner. A very large number of short-term problems that occur at the industrial enterprises in the way of delays, dislocation, miscalculations, and frictions, - could be attributed to the inadequacies of training at different levels of management, not excepting the top management. When a new policy and a new system has to be introduced for resolving some major problems, it is a good thing to start off by training, without which implementation is bound to be tardy and progress inadequate.

A national management institute however cannot meet all the training needs at different levels of management, for all the enterprises in the country. It must therefore adopt a selective approach. Following main avenues, having the requisite multiplier effects deserve special attention in this connexion:

### 1. Short-term training courses and seminars for the top management

It is well known that without brain-storming the top management, and making them appreciative of the values of managerial training, little progress will be achieved in driving the tools and techniques of industrial management home at the different levels of an enterprise: top managers, being as busy as they are, - can ill afford to spend much time on this, and many of them may feel shy to be trained. A short seminar and discussions session on general management, or on a particular aspect of management, in which apart from the lectures sessions by specialists, - the could also talk and exchange experiences in a meaningful manner, is a well known and successful method for bringing in such key personnel within the orbit of management development. Faculty members for conducting such short training or seminar, should naturally be the very best. They should also be capable of explaining the themes, not only in physical but also in financial terms - and this is a matter which is of great importance for carrying convictions with the top managers.



2. Training and retraining of the trainers

No organization is better suited for undertaking this very important responsibility, than a national management institute. Apart from the facilities of adaptation of managerial themes through research and development, - a national management institute would have the resources and capacity for equipping the trainers with the requisite standard of professional knowledge needed for generating the multiplier effects throughout the country, along with imparting knowledge of modern teaching communication techniques. No amount of effort for training and retraining the trainers can be considered to be too much, as the efficiency and the shortfalls in this field would have widespread and far reaching consequences.

Major industrial establishments in the country should be encouraged to have their own training departments, particularly for middle management and supervisory training, - by providing training and later on retraining facilities to their enterprise-level trainers. Small and medium scale industries do not generally have their own training departments, but seek assistance from other local corporate bodies and institutions. The trainers from such corporate bodies and institutions interested in management development, could also be trained along with the enterprise-level trainers, which facilitate cross-fertilization of ideas between different sections of industries, - with considerable benefits to all.

3. Model training courses in critical areas of enterprise operations

In order to ensure qualitative excellence of management training, a national management institution could locate those basic areas which give most of the headaches to the industrial managers, and organize short-term training courses on these. The object of this is not to assume entire responsibility for conducting such training throughout the country, but play the role of a pace setter, and maintainer of qualitative standard for other corporate bodies enterprises, and institutions engaged in similar training activities to take note of. Proper development and publicity of course contents, development of training manuals and kits are essential prerequisite in this process. A brochure developed by National Productivity Council of India for popularizing such training programmes is attached as an example (Enclosure II).

4. Pace setting training courses in new areas

The arts and sciences of management are progressing every day. New ideas are emerging, new methods are being developed, - which after due modifications, - so as to conform to the country's needs, could be transferred to the enterprises, - through training, side by side with publicity. Such pace setting courses could be held either at the national management institution itself, or at strategic points i.e., under the auspices of corporate bodies, leading industrial establishments, etc. As regards the training courses already introduced, the course contents including the supporting training manual and training kits, could be improved upon and modified from time to time holding fresh pace setting courses whenever such modifications and improvements are important and considerable.

5. Workshops and seminars

Meaningful spread of managerial knowledge for improving the existing practices through exchange of information on experiences, and for introducing new topics, could take place particularly among the busy executives, through short sessions of workshops and seminars. It is important to ensure, that the participants have requisite standard of knowledge and experience on the topic under discussion, - as workshops and seminars are not particularly useful tools for management developments among the newcomers in the field.

#### CHAPTER IV

### THE ROLE OF THE NATIONAL MANAGEMENT INSTITUTION IN PROVIDING CONSULTANCY SERVICES FOR ASSISTING THE INDUSTRIAL MANAGERS IN SOLVING THEIR PROBLEMS

#### 1. Nature of consultancy work and its relationship with publicity and training

Publicity, training and consultancy - all these are important vehicles of assistance to the industrial managers for solving their problems. Publicity seeks to spread managerial knowledge on an extensive front at a low cost, but its impersonal nature is the main limiting factor. Training seeks to spread managerial knowledge, to small groups of executives with a degree of personal involvement of the trainer and the trainees, - but cannot assume the specific individualized and specialized form as in the case of consultancy work for an enterprise. An outside consultant viz., a financial consultant who may have no better professional qualifications than the financial director of the enterprise, - has the all important advantage of being a detached observer, - his mental spectrum spreading over many establishments, and his power of observation and ability to locate the critical areas through comparison, sharpened on that account. A faculty member of a national management institution, can have the unique advantage of combining in him these three roles i.e., role of a writer of publicity materials on management, involving the use of analytical and research faculties, the role of a trainer enunciating the latest principles and practices on managerial themes, and the role of a consultant well versed in the techniques of application. The interaction of all these three categories of activities in one and the same person, enriches the professional depth and at the same time the applied values of all the three services. A national management institution by encouraging their faculty members to participate in these three activities, is in the happy position to develop highest possible professional standards, not readily attainable elsewhere.

## 2. Introducing consultancy work to the clients

Consultancy work is seldom successful without a proper client base, which is far from satisfactory in most of the developing countries. This means concerted efforts to popularize managerial themes over a period of time, - through publicity and training - so that there is a proper communication, assimilation, implementation and appreciation of the advices given by the consultant. The question that naturally arises from this is about the length of time that should elapse in these processes before consultancy work is likely to have a meaningful impact. In this connexion, it will be desirable to make a distinction between area-wise or sectorial consultancy work from diagnostic consultancy work. The former standards for consultancy work for introducing a better system or for trouble shooting in a particular area of enterprise operation, viz., incentives, work-load studies, production planning etc., where the problem area has been identified. Diagnostic work will be involved when the enterprise as a whole is weak, and is not showing the expected business successes without knowing the precise reasons, - or assigning such reasons which are far too general and vague.

As far as area-wise or sectorial consultancy work is concerned, no undue time need be lost in introducing this. After about a year from the date of introducing publicity and training programme on a subject, when the faculty members of a national management institution would have had chances of conducting two or three enterprise-level courses on it, - a beginning could be made to undertake plant studies and consultancy work. It must not be lost sight of that combining training and consultancy in the same person, enriches the quality of both.

As far as diagnostic work is concerned, this calls for longer periods of gestation, - both for preparing the client base, as well as for developing the requisite skills among the consultants. An industrial manager, with inadequate grounding in modern methods, may go on attributing the ailments of his enterprise to causes which are wide off the mark, - in the same way an inadequately developed consultant may find himself unequal to the task of providing meaningful and realistic answers to his problems. After gathering about two to three years of experience in sectorial type of consultancy work, - and only after receiving thorough training in the methodologies for diagnostic work, a consultant, generally speaking, - should be ready for the latter type of assignments.

The benefits of the consultancy services should be publicized and sold to the clients in the simplest possible language. This is particularly important for the small and medium businessmen, who seldom can afford top professionals as company executives and of necessity, have to seek consultant's assistances more frequently.

A brochure of this nature introducing consultancy services to the clients brought out by the National Productivity Council of India, is enclosed as a sample (Enclosure III).

4. The role of the national management institutions in assisting the managers in solving their short-term problems through consultancy work

No national management institution can be expected to give coverage to each and every problem of the industrial managers throughout the country from its limited organisational and operational resources. Still the problems of the managers are very real and need expeditious solution. To overcome this, following measures could be adopted with advantage:

A. Promotion of self-consultancy and private consultancy

A national management institution could encourage the industrial managers to set up industrial engineering and management cells within the enterprises, - particularly at the larger enterprises. These cells could systematically audit the enterprise activities, and provide first aid consultancy service to the problems of the departmental managers. For small and medium business the relevant corporate bodies and service institution could provide similar consultancy assistance. Promotion of private consultancy work either by individuals, or firms, - through training facilities provided by a national management institution goes a long way in assisting the managers in solving their problems on a dispersed decentralized basis, and on an extensive front.

B. Acceptance of important and pace-setting assignments by the national management institution

Important sectors of national economy, which have challenging problems or newly emerging areas of managerial problems i.e., those which commonly emanate from expansion of internal and foreign trade, introduction of new technologies, modernization, merger etc., should be interesting fields for direct consultancy work,

to be undertaken by a national management institution. Apart from pace-setting work and preservation of professional standards in consultancy work, it also enables the national institution to undertake meaningful research work for further development and adaptation of the arts and sciences of management.

5. Co-operation of the national management institutions for operating "Management Clinics"

Even though operation of an interdisciplinary management clinic with a team of visiting specialists, - dealing with organization, personnel, finance, production and sales problems is no substitute for indigenous growth and maturation of managerial expertise within a developing country, - these clinics, - without question could provide valuable assistance in the process of such an indigenous growth. Management experts, who had operated in more developed economics, would have imprinted in their mind, such norms and experiences which reflected more developed forms of industrial organizations and their methods of operations. When such minds are focussed to the conditions and the variables prevailing in the developing countries, - the differences are at once noticed. The difficulties with such clinics are however likely to be not so much in locating and identifying the problems, but as in providing answers to such problems on a realistic basis, - which will facilitate practical implementation, - withstanding the test of time after the clinic had withdrawn. This is essentially a question of availability of time for the visiting specialists. A management clinic may not have adequate time at its disposal to do all the preparatory work, as well as systematic follow-up of the implementations of the recommendations made. Experts in such a clinic may not also have adequate familiarity with physical realities of business operations in the concerned developing countries.

A management clinic can however seek to overcome such problems in a twofold manner. Firstly, by having in the team one or more competent experts whose professional skills had been applied, in solving the fairly common problems of the industrial managers in the developing countries for a reasonably long period. Secondly a management clinic can have intimate collaboration arrangements with the national management institutions for the preparatory work, and for the implementation and follow-up of the recommendations made by it. To warm up the general technological managerial climate of the country, - there would be good justification to hold one

or two top management seminars, or workshops in specific fields, under the auspices of the national institution, - taking the opportunity of the presence of the team of visiting specialists in the country.

In the pattern of co-operation between a national management institution and an interdisciplinary team of visiting experts for operating a management clinic, a distinction has to be made between solving the short- and long-term problems of the industrial managers as elaborated below:

A. Pattern of co-operation between a national management institution and a management clinic for solving short-term problems

As mentioned earlier, by and large, most of the short-term problems of the industrial managers emanate in the course of resource utilization for producing the requisite goods and services, whereas most of the long-term problems are related to resource development and resource mobilization. Any formal consultancy assignment undertaken by a professional consultant generally involve the following steps:

1. Preliminary survey.
2. Execution of the assignment and formulation of recommendations.
3. Staff training for operating the modified or the new methods.
4. Implementational assistance.
5. Trouble shooting and follow-ups.

It will also be generally correct to say, - consultancy work is primarily concerned with productivity rise, and this is achieved by reducing the values of inputs and enhancing the values of the output. Such input and output values are best understood and judged in pecuniary terms - i.e. productivity of the capital employed. It is a common experience for the management consultants in most developing countries, that except for the very large enterprises, - few industrial establishments have systematic cost and other relevant data. A national management institution perhaps could act as host agent for a management clinic, doing the basic ground work for its visit, and proper functioning. Later on, the institution could also provide staff training, - implementational assistance, trouble shooting and follow-up services, - after the departure of the members of the clinic. When the clinic is in

session, and the visiting experts work on examining various problems, and suggest their solutions, it is a good thing to involve the representative of the national management institution in the process, so that important local variables are taken into account before recommendations are finalized.

B. Pattern of co-operation between a national management institution and a management clinic for solving the long-term problems

The effectiveness of a visiting management clinic in assisting the industrial managers in solving their long-term problems, is much more dependent on the depth and extent of co-operation received from the national management institution or similar local bodies. This is so because, by and large, most of the long-term problems are concerned with the issues emanating from resource development and resource mobilization and are often directly linked up with the six variables enunciated by Dr. Gunnar Myrdal as mentioned earlier. These generally call for systematic data collection and data processing work over a period of time, and substantial amount of analytical and research efforts thereupon, for reference and use by the members of the visiting management clinics.

The advantages of a management clinic in assisting the managers in solving their long-term problems, - consist of wider experience and broader mental horizon of the visitors, familiar with the states of resource disposition and mobilization in other countries, apart from professional expertise. Besides the policies and programmes prevailing within the country, - visitors could often provide valuable technical and business information upon which many fruitful avenues of international, technical and commercial relations could be developed.



## CHAPTER V

### THE ROLE OF THE NATIONAL MANAGEMENT INSTITUTION IN PROVIDING RESEARCH SERVICES FOR ASSISTING THE INDUSTRIAL MANAGERS IN SOLVING THEIR PROBLEMS

The relationship between research and progress is far too well known to need any special elaboration here. As already mentioned, - the major contributions of research in assisting the industrial managers, will be in the process of adaptation of managerial ideas and practices developed in the West, - improvement and modification of the existing ones in the country and development of new areas. Many industrial establishments, have problems which could only be satisfactorily solved through detailed samplings and studies over a period of time. For example, causes of labour turnovers, absenteeism, studies on material standardization or substitution etc., - often involve substantial amount of research work. A national management institution could undertake a number of these with advantage to serve the interests of the client as well as its own.

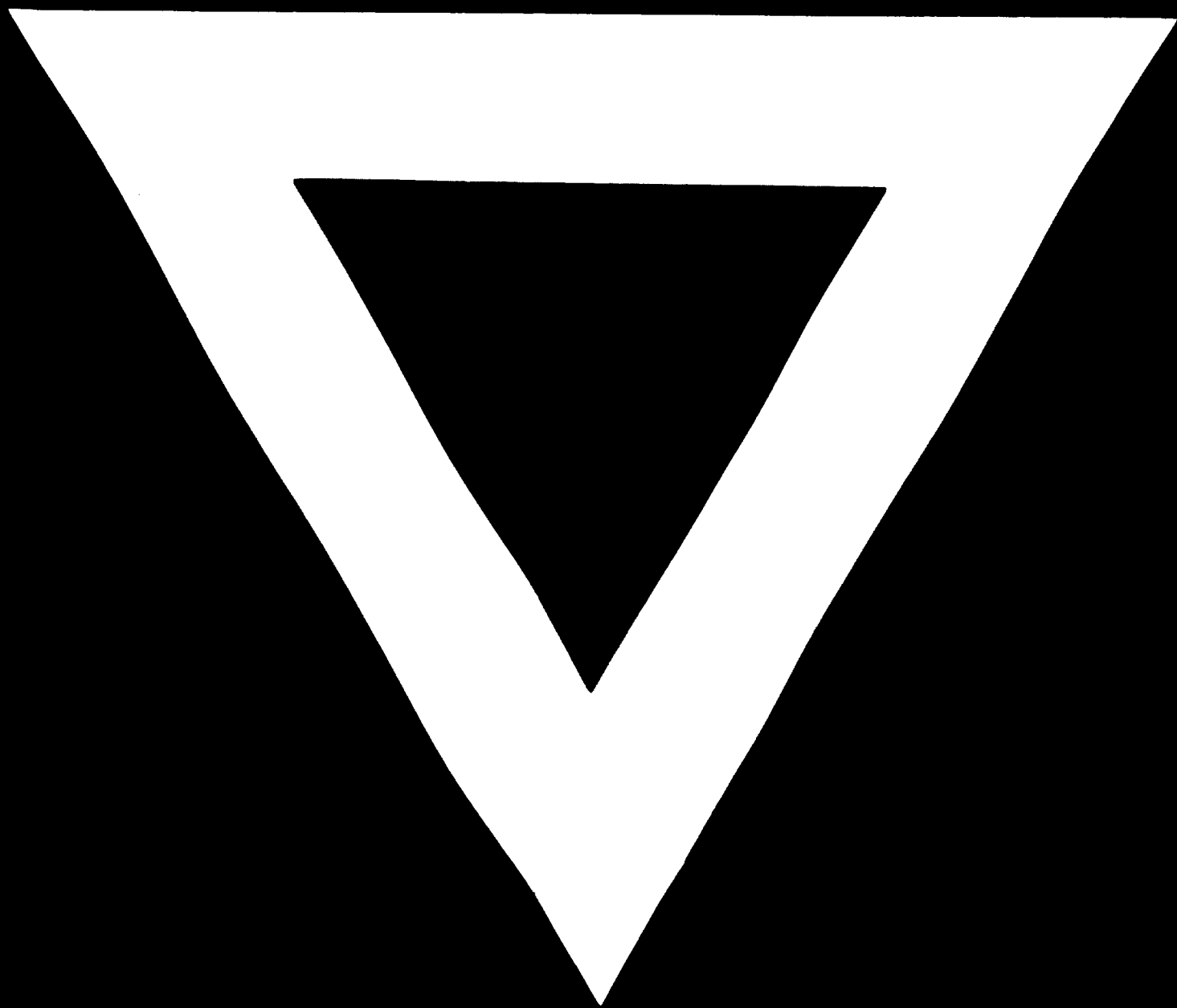
Researches on resource development, resource mobilization, and researches on the managerial implications of the variables mentioned earlier, often produce very useful results, - particularly when the findings are highlighted at appropriate quarters for formulating and reviewing policies which often pay rich dividends in solving the problems of the industrial managers, particularly the long-term problems. All industrial managers have stakes in these, and should actively support and co-operate with such research efforts by the national management institution.

Another aspect of research which is often sadly neglected, is on the quality and quantity of the services provided by the national management institution, and other techno-managerial institutions in the country, - location of the weaknesses and the critical areas in such services along with suggestions for improvements.

A national management institution should encourage all its faculty members to contribute a portion of their time in research activities, wherever necessary collaborating with other specialized institutions in carrying out inter-disciplinary studies. Research is essential for the maintenance of a progressive temper. And it is upon this temper effective solutions to the problems of the industrial managers and progress in the field of management developments at large basically depend.

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