



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



D03465



Distr.
LIMITED

ID/WG.93/8
13 July 1971

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Meeting on Promotion of Small
Industries in the RCD Countries
Tehran, Iran, 11 - 17 April 1971

TRAINING OF ENTREPRENEURS AND
EXTENSION SERVICE OFFICERS ^{1/}

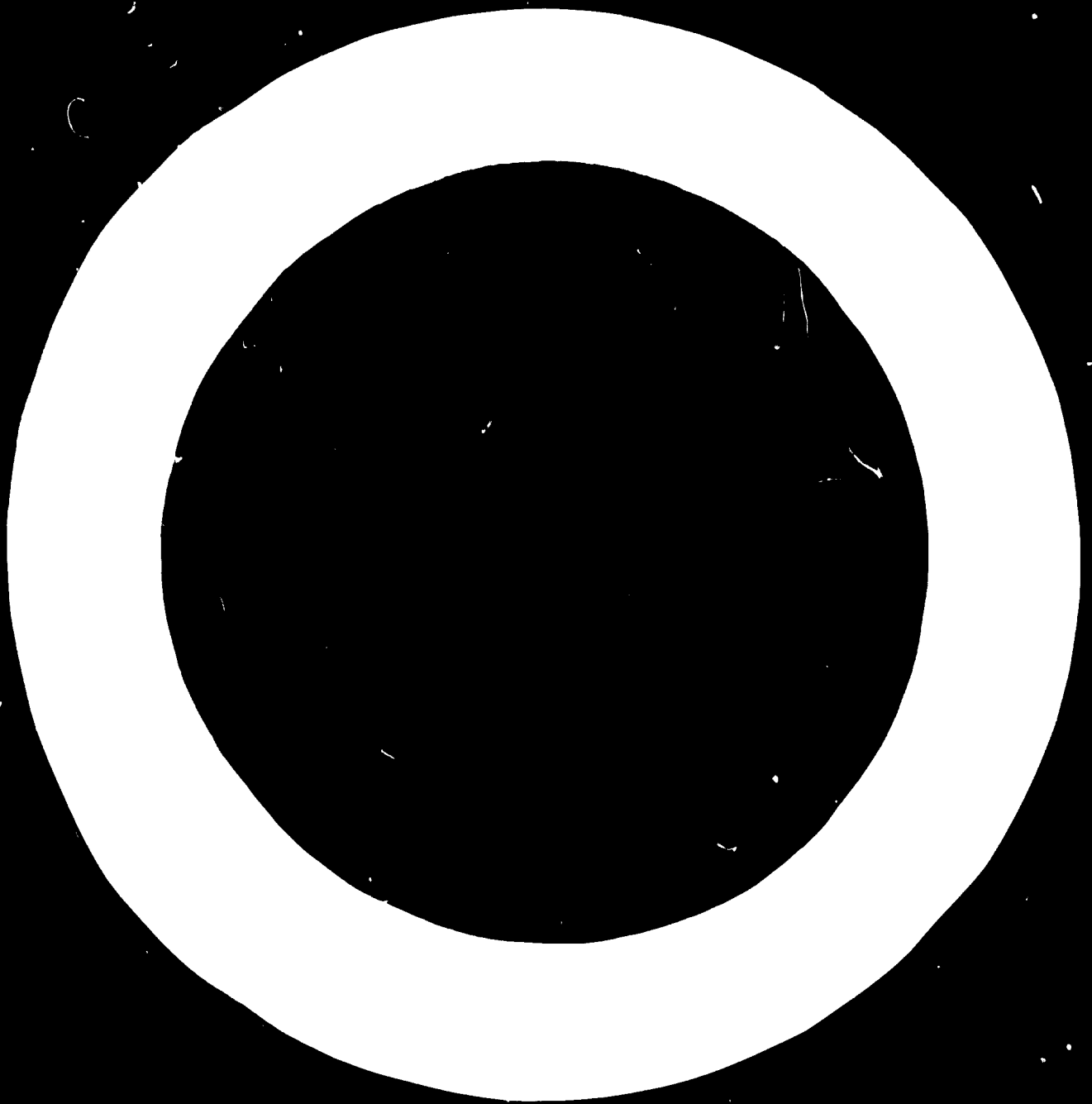
by

Mr. Fereydoon Moezzi Moghaddam
Head, Industrial Management Section
Organization for Small-Scale Industries
and Industrial Estates of Iran,
Ministry of Economy,
Government of Iran

^{1/} The views and opinions expressed in this paper are those of the author and do not necessarily reflect the views of the secretariat of UNIDO. This document has been reproduced without formal editing.

id.71-5452

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.



AGENDA - ITEM 11 F
TRAINING OF ENTREPRENEURS AND EXTENSION
SERVICE OFFICERS

The Training Programmes of the OSSI & IEI

To recount the past activities of this Organisation in connection with the training of entrepreneurs and extension service officers, it should be mentioned here **that originally this Organisation was established solely for the purpose of introducing the idea of and establishing, industrial estates in this country as a tool for the development and promotion of industrial entrepreneurship in lighter industries.**

The first industrial estate was planned to be established as a pilot project. The UN experts in cooperation with the Plan Organisation of Iran after visiting several sites in different parts of the country, eventually agreed on Ahwaz to be the proper location for the establishment of the first demonstration industrial estate.

Ahwaz Industrial Estate, being a pilot project was intended to have all facilities and possibilities in order to spread the idea of the estate. Experience has shown in many countries that a central services workshop, within an estate, can be utilised as a means of training, demonstrating and sub-contracting activities.

The United Nations Special Fund provided the government of Iran with the required machinery and equipment for the Central Services Workshop at the industrial estate.

The first training activities of the Organisation were carried out in the central services workshop by UN experts for their Iranian counterparts in an informal manner and along with the construction and installation work.

The next stage of the programme in Ahwaz was to recruit workers with suitable theoretical and practical background to be trained to work as training officers in future training programmes. In this connection it may be stated that four Norwegian volunteers assisted the programme for one year and at present an American Peace Corps volunteer is also cooperating in the training programme.

While the industrial estate was being set up in Ahwaz, officers from head office were sent abroad - U.K. Ireland, Pakistan, and India to acquire practical orientation in the construction and management of industrial estates.

The training programmes undertaken by the Industrial Estates Authority were of a limited nature, related to the planning and establishment of industrial estates. It was only with the establishment of the Organisation for Small Scale Industries & Industrial Estates of Iran in 1968 that the scope and objectives of the training programmes were widened to cover the whole field of small industry development.

Shortage of trained personnel in the Organisation has been a serious limiting factor in undertaking a country-wide training programme for the benefit of small entrepreneurs, supervisors and workers. However, with the help of the UNIDO experts it has been possible for the Organisation to arrange training courses in a few selected subjects which are considered of high priority in our small industry development programme. We have so far conducted three short term training courses in industrial engineering and marketing, one each in Tehran, Tabriz and Isfahan. A training course in blue print reading was conducted in Tehran and another is being organised now in Ahwaz. A four months training course in ophthalmic lensgrinding has been just completed in Tehran and another will commence in a

few days. A six months' training course for the workers sponsored by small industrialists in machine shop practice is being organised at the Central Services Workshop Ahwaz. Very soon we will be starting training courses in foundry practice, cost accounting and business management also.

It may be mentioned in this connection that, the Organisation will be setting up a Central Training Institute for Ophthalmic lensgrinding at Tehran by the end of the current year. The machinery and equipment for this institute have already been ordered and the training personnel are now under training in the country and abroad thanks to the assistance received from the UNIDO. We will be glad to offer the training facilities in this centre to workers and supervisors of small industries from other developing countries.

The training of the extension service personnel in the OSSI & IEL is done mainly by the UNIDO experts. At present a team of ten international experts under the leadership of a Chief Adviser & Project Manager is assisting the organisation in its various programmes. Every expert has two or more counterparts attached to him and special importance is being given by the Organisation to the expeditious training of the counterparts by the experts.

Another form of training extension personnel has been by deputing them under the U.N. fellowship scheme to foreign countries. So far fifteen officers of this Organisation have been trained in countries like the Netherlands, Denmark, United Kingdom, Italy, Japan and India.

The Organisation has also a programme of organising training and orientation courses for its staff on specific subjects relating to small industry development. An orientation and training seminar on the policies and programmes for small-

industry development was conducted in September 1970 for the senior staff of the Organisation with the active cooperation of the UNIDO. It is proposed to conduct special courses in subjects such as "Conducting industry feasibility studies", "Planning industrial estates" etc. during the current year.

Main Problems in Organising Training Programmes for Small Industrialists

The main problem in organising training programmes for small entrepreneurs on a country-wide basis has been shortage of trained personnel in the Organisation. The Organisation at present has no branch offices or extension centres. Even at headquarters it has only a small team of trained and extension personnel and therefore its training activities had to be limited to a few selected cities.

Apart from shortage of trained personnel, we have also the problem of shortage of training facilities. The Central Services Workshop at Ahwaz is the only place under the control of the Organisation for providing practical training on technical subjects. The Central Training Institute for ophthalmic lensgrinding is expected to be ready in about six months' time, but in the meanwhile, we have been conducting practical classes in the workshop of a small unit under a special arrangement with that unit. This arrangement has proved to be satisfactory and we propose to adopt this arrangement for organising training classes on other subjects as well. We have planned a fairly big programme of modernisation of foundries and repair and maintenance shops during the next two years. For this purpose, we propose to select a few workshops of private small industrialists as demonstration workshops and arrange training for other small industrialists in such workshops. This seems to be the most practical solution to the problem of shortage of training facilities.

Financial problems also act as a hindrance in our training programmes. The small entrepreneurs are not often in a position to spare the services of their employees for training as they have no means of employing substitutes during the training period. The employees cannot afford to join training classes losing their wages. At the same time it is not possible for the Organisation to provide stipends to the trainees either. We have been trying to persuade small entrepreneurs to depute their employees for training while retaining them on their pay-rolls. Wherever possible we are arranging training classes in the evening, after workshop hours.

Another problem in arranging training courses for small industries' personnel is the lack of awareness on their part about the need for training. The workers and often owners of small enterprises do not seem to realise the advantages of training and are generally contented with the skills and knowledge they have. The lack of formal education often makes the task of training very difficult. A good deal of advisory and counselling service may therefore be necessary to persuade some small industrialists to send their employees for training courses. The Organisation has already undertaken this task. Instead of inviting applications through advertisements, the Organisation sends round officers to small units to explain to them the details of the training programmes and their advantages and enlist trainees for the various courses. In due course we expect that the small entrepreneurs will become convinced of the need for training and will volunteer for training courses on their own. In cities like Tehran, where the small entrepreneurs are fairly advanced, there is no need for special efforts by the Organisation for enlisting trainees as the entrepreneurs themselves are keen to avail of the training facilities offered by the Organisation.

With additional staff and resources, the organisation expects to increase substantially the coverage of its training courses in the next two years. However, it is obvious that it will not be able to train even a small percentage of the total number of entrepreneurs, managers, supervisors and workers who are in need of training. The task is so colossal that one organisation by itself will not be able to do justice to it. Training programmes for small industrialists therefore have to be a collective effort of various organisations public, semi-public and private. It is a programme in which various technical institutes, educational institutions and private and public sector industries should take an active role. Large industries in particular should take a leading part in providing training to workers and supervisors sponsored by small units. An organisation like the OSSSI & IEL could in such programmes play the role of a coordinator.

The scope for utilising the training facilities of the institutions available in the countries of the R.C.D. region for the training of extension personnel may also be considered by this conference. It will not be necessary for each country to set up its own training institutes for small industry personnel, if such institutes can be organised on a regional level. We have very little information on the facilities available in Pakistan or Turkey for training of extension personnel and will be glad to receive such information during the course of the discussions in this meeting.





4. 2. 74