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Joint Meeting of the Government of Austria
and UNIDO to Consider More Effective
Training in Industrial Administration

Vienna, Austria, 26 - 28 November 1971

DRAFT REPORT

THE IMPROVEMENT OF INDUSTRIAL ADMINISTRATION ✓

A Draft Report based on Deliberations
of the Joint Meeting and of the Joint
Committee of the Government of Austria
and UNIDO to Consider More Effective
Training in Industrial Administration

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FOREWORD

1. The importance of improved industrial administration to the developing countries and the role that the United Nations Industrial Development Organisation could play in providing assistance in this field were discussed at the International Symposium on Industrial Development held in Athens in December 1967. The Report of the Symposium emphasized the need for effective administrative machinery for industrial development in accordance with political, social and economic conditions of the country.^{1/}
2. The Symposium recommended, inter alia, that:
"Developing countries should review the present administrative machinery for industrial development, its structure, functions and potentialities. UNIDO is requested to assist developing countries in this task. On the basis of this review, the countries would be in a position to modify their civil service systems to suit the requirements of industry and/or consider the establishment of autonomous industrial development agencies. UNIDO should assist Governments in this connexion if requested to do so."^{2/}
3. Accordingly, UNIDO established, as a major activity group, an industrial administration programme concerned with the review and application of those factors that have beneficial influence on the administration of public agencies dealing with the manufacturing sector. UNIDO's activities in this field concentrated initially on industrial legislation, patents and licensing. These activities have since been expanded. In 1970 UNIDO established, within its secretariat, a separate activity group on industrial administration, and presented to the Fifth Session of the United Nations Industrial Development Board a draft programme of work that placed emphasis on UNIDO's work in the field of public industrial administration.^{3/} The Board underscored the need for improving the efficiency of public agencies dealing with industrialization in developing countries and of adopting a business-like approach toward meeting the requirements of socio-economic development.

^{1/} Report of the International Symposium on Industrial Development, 1967,
United Nations publication, (Sales No.: E.69.11.B.7)

^{2/} ibid. p. 31

^{3/} Report of the Industrial Development Board, Fifth Session, 1971,
Document ID/3/80/Add. 2

4. The Government of Austria has expressed interest in and support for the work of UNIDO in this field, with particular regard to the training of officials engaged in industrial administration.^{4/} In 1971 the Government of Austria wrote to UNIDO suggesting that representatives of the Austrian Government, UNIDO and of the United Nations Institute for Training and Research (UNITAR) hold a preparatory joint meeting to explore possible areas of co-operation in training activities in this field, as well as to discuss the feasibility of establishing a centre for industrial administration to be located in or near Vienna.^{5/}
5. On 26-28 November 1971, a Joint Meeting of the Government of Austria and UNIDO was held in Vienna to discuss "More Effective Training in Industrial Administration". The Meeting suggested that a Joint Committee carry on the work initiated. The chairman of the Meeting formed such a Joint Committee. This report covers the deliberations of both the Meeting and the Joint Committee.

^{4/} See Training of Economic Administrators for Industrial Development, 1969, United Nations publication, (Sales No. E.68.II.B.12).

^{5/} For full text of this letter, see Annex 2.

INTRODUCTION

6. An annual growth target for industry of eight per cent has been established for the developing countries for the Second United Nations Development Decade. A few countries are already exceeding this rate; most, however, are not.

7. The desired rate of growth can be achieved most easily in those countries that effectively plan, programme and implement the multitude of individual projects comprising industrial development. Unfortunately, no single action within the power of governments appears to hold the key to accelerated industrial growth. Instead a wide spectrum of activities comprising a "system" must be carried out more or less simultaneously. It is possible, however, that one activity - public industrial administration - has been given less attention than may be desirable. Accordingly, industrial administration could be a priority area of concern for which emergency measures by the developing countries would be justified.

Public administration

8. The Public Administration Division of the United Nations has assisted in establishing and/or strengthening a number of national training institutes. Increasing need has been felt by these institutes for providing training programmes for officials holding posts at the senior levels. This was reinforced by the Report of the Expert Group Meeting on United Nations Programmes in Public Administration, convened in January 1967, which recommended, inter alia, that the United Nations assign high priority to initiating and supporting development programmes for senior administrators.

9. At the United Nations International Seminar on the Development of Senior Administrators in the Public Services of Developing Countries, held in Geneva in August 1968, a number of recommendations on this subject were made including the following:

- The role of the senior administrator in the government service - including public corporations - should be more precisely defined, clarified and strengthened in all developing countries;
- National policy makers should strive for a more profound appreciation of the principal motivation factors governing the work performance of senior administrators, and provide increased recognition of their contribution to national goals;
- A valid assessment must be made in each developing country of the precise range of development needs of the senior administrators; and
- Investment by developing countries in the dynamic growth of the capability of senior administrators should be considered as a major asset which in comparison to other development investments is, in financial terms, relatively small.

10. From time to time governments launch programmes for administrative improvements. These often take the form of exposing administrators - most generally officials at the middle management levels - to "organization and management" concepts and techniques. Such types of programmes have a place, no doubt. But what is seen as more urgently needed is a programme to involve men at the highest level - men in key positions for decision-making and for co-ordination.

Industrial administration

11. The requirements for effective industrial administration differ from those of public administration in general as industry differs from the other development sectors. Some of the differences include:

Nature of decision making. The manufacturing sector is generally required to operate on a much shorter operational cycle than do other sectors. The development of a new forest can have a cycle of decades, of public health or of education programmes a cycle of years; but for industry to meet ever-changing domestic and foreign market requirements, the cycle may be a matter of months. Thus fewer delays in decision-making by industrial administrators can be tolerated for effective industrial development.

Technological diversity. The variety of products to be manufactured and processes to be established make the technologies to be considered for the

industrial sector far more numerous than for other sectors. A high level of skill is required to transfer, adapt, or develop appropriate technologies for industry.

Complexity of industrial organizations. Industry varies not only in the types of technologies employed but in the variety of organization patterns found. Individual units may vary from those employing 10,000 or more down to ten or less workers. Organisations may include the spectrum from wholly public enterprises to wholly owned foreign subsidiaries and every combination between the two extremes. The complexity of decision-making which must stimulate individual initiative as well as direct public initiative is increased.

12. The industrial administration complex of a country may include a central ministry of industry with provincial ministries or branch offices. Also included might be various agencies, institutions and organisations that provide finance and a variety of services to the manufacturing sector. The key decision-makers in this complex could include: a) higher officials of central and provincial government offices and b) administrators of agencies, e.g., expert promotion; of institutions, e.g., finance and research; of organisations; e.g., chambers of commerce. In addition, one might include the key decision-makers in medium-sized and large-scale manufacturing enterprises who influence development beyond the immediate scope of the enterprise. Many of these managers may also be members of public boards or organisations related to industrial development, or potential recruits for positions as senior administrators in the government.
13. One can only conjecture in the most crude fashion the total number of key decision makers in a developing country. A tentative estimate might be given by the range 5/20 such individuals per million total population, depending on the country's level of industrial development and on the degree of centralisation. In order to bring about effective industrial administration, greater emphasis will have to be put on developing the high level skills needed for decision making and for setting up adequate machinery for decision-implementation. Efforts will have to be made towards improving administrative talents and to identifying sources of industrial administrative leadership if the challenges of the decade are to be met.

CHAPTER ONE

ORGANIZATION OF THE MEETING

14. On 26-28 November 1971, a Joint Meeting was held in Vienna between the Government of Austria and UNIDO to give practical shape to the expressed desire of the Austrian Government to assist industrialization and in particular the work of UNIDO at what appears to be a problem in establishing systems of industrial administration fully adequate for the implementation of national programmes in the developing countries. The meeting proposed to discuss the feasibility of setting up a joint programme for industrial administration to include a centre for industrial administration, proposed for establishment in or near Vienna and for which the Austrian Government and UNIDO might jointly agree to either provide or to obtain the necessary facilities and financing in co-operation with the United Nations Institute for Training and Research (UNITAR). The planning and the administration for the proposed centre as well as the design of activities were also points of discussion.

Opening ceremony

15. On behalf of the Executive Director of UNIDO, Mr. I.H. Abdel-Rahman, Mr. N. Grigoriev, Director of the Industrial Technology Division of UNIDO, gave the initial address of welcome to the members of the meeting and to the representatives of the Government of Austria. Welcoming statements were also given by His Excellency, Mr. Rudolf Kirchsclaeger, ^{6/} Foreign Minister, Government of Austria, and by Mr. J.E. Stepanek, Director of the Industrial Services and Institutions Division, UNIDO.

Attendance

16. The meeting was attended by twenty-eight (28) participants. A complete list of names and addresses of the participants is given in Annex 1.

^{6/} For full text of this speech, see Annex 3.

17 Election of officers

The meeting elected the following officers:

Chairman	Mr. Kurt Rischka, Chairman, Austrian Institute of Technical Assistance and Research
Deputy Chairman	Mr. Ratin N. Jai, Ford Foundation Adviser The Ghana Institute of Management and Public Administration
Rapporteur	Mr. Hans Fahlström, Adviser to the Director of the Industrial Services and Institutions Division, UNIDO

Agenda

18. The work programme and provisional agenda, as adapted by the meeting, are reproduced in Annex I.

Documentation, report and working language

19. Documents prepared in connexion with the meeting include the following: background paper and provisional agenda distributed at the meeting. In addition, certain papers were prepared by a participant and delivered to the meeting as unofficial statements. At its closing session, the meeting approved a resolution setting up a joint committee to draft a final report of the findings of the meeting.

English was the official working language of the meeting.

Closing session

20. A Joint Committee was formed by the Chairman to carry on the valuable work initiated at the Meeting; a list of the members of the Joint Committee is given in Annex 1.
21. At the closing session, the meeting was addressed by Mr. Rischka and by Mr. Stepanek. Both speakers complimented the participants on their enlightening discussions and constructive suggestions as well as on the co-operative spirit that prevailed throughout the sessions. The participants also thanked the Government of Austria and UNIDO for providing the opportunity for initiating discussion on this important subject.

CHAPTER TWO - REVIEW OF THE PRESENT SITUATION

Factors Inhibiting Improved Industrial Administration

22. In many of the developing countries more attention has been given to the planning of development than to the implementation of the projects comprising the plan. Similarly, more attention has often been given to the acquisition, discovery or mobilization of physical resources than to the development of the skills and motivation required of key individuals to invest effectively the available physical resources.
23. The Meeting regarded the absence and inadequate use of, knowledge and experience in decision making and problem solving among senior administrators as major problem areas, influencing the effectiveness of industrial administration. Several delegates gave practical examples of this type of deficiency from their own experiences. Other factors identified were: inadequately developed leadership skills in individuals in key administrative positions; motivations more in tune with law and order administration than with development administration; inadequate skill and experience when negotiating for external resources, for example, industrial licenses, joint ventures, or credits for public or private enterprises; and the inability to establish procedures for identifying and employing the most appropriate industrial technologies available with respect to the economic and social conditions of the country. It was noted that all of the above have in common both the availability of a particular technical skill plus the ability to make the proper decision based on the technical skills and on information available. Furthermore, the inadequacies in the administrative mechanism (organisational set up and practices) for the implementation of industrial plans were viewed as limiting factors.
24. The difficulties and delays encountered in implementing industrialisation programmes must be put in the context of the overwhelming tasks which administrators have to face. To achieve civic order and legal government are in themselves formidable tasks and achievements. To administer, in addition, a dynamic economy geared to welfare and development implies a broad range of responsibilities of a taxing kind, especially when allowing for the much compressed timeframe within which results are sought to be achieved.

25. One optimistic element is that in many instances the planning process in the developing countries has improved over the last two decades. What was at first little more than an assemblage of desirable projects has become an attempt at forecasting with data on national income, on savings, on industrial and agricultural possibilities and on performance assembled in an orderly way. Some of the current plans demonstrate greater sophistication as, for example, more detailed in-put/out-put analyses, more specific calculation of needs, greater efforts to view the various sectoral plans as complementary and as part of a coherent whole. This is progress. One might conclude that in the course of time the process of implementation will also improve.
26. The Meeting, taking into consideration the multifarious problems facing developing countries in the field of industrial administration, concluded that a new programme strategy which could remove certain of the restraints was needed. Just how the proposed Centre could assist, the participants concluded, required further study.

The Need for New Strategies

27. The Meeting recognized that without a major change in orientation - the creation of an atmosphere in which quick and decisive action can replace the present bureaucratic pace of implementation - little improvement in the rate of industrial development can be expected regardless of the resources poured into teaching modern techniques.
28. Discussion then took place on the vital contribution appropriate training and related supporting activities - such as counselling services for new techniques of administration - would make to improving the implementation process. It was pointed out that social, economic and political problems often force decisions on administrators from which industrialization may suffer; often these factors are beyond the power of many governments to modify, at least in the short term. However, it was agreed that if industrial administrators can become more conscious of their roles and are made to understand their influence on effective administration, they may be better able to formulate and implement decisions that have over-all benefit to the country. Note was made of the fact that men trained in the tradition of equity and precedent are often not able to recognize and employ short-cuts, quick decisions and effective follow-up required for effective implementation. Professionals were needed who would be adequately prepared to identify the requirements of the country's industrial development, and to ensure that these requirements are being met within the framework of national development plans, taking into consideration available physical and human resources. This professional was called

"the industrial renaissance man" or "the new man". It is in this area that training and change of attitudes and priorities were viewed by the Meeting as being able to bring about long-term beneficial results

The Meeting also recognized that the focus of training must result in re-orientation. An administration dedicated to maintaining the status quo must be changed to one open to new ideas. This demands a change in practice and style as well as in the use of problem solving techniques. Besides improving the managerial techniques of industrial administrators, there is also need for broadening their scientific and technological horizon so that they can take advantage of the latest tools of communication.

Channel of communication

29. Since one of the major deficiencies is the lack of understanding between industrialists and public officials, the need was expressed for ways and means of helping them understand that they are serving one society rather than two isolated groups. Programmes involving jointly public administrators and managerial operators would be conducive to creation of a team approach that could only benefit the implementation of industrialization plans.
30. The Meeting pointed out that in defining areas for future activities in this field, it was important to observe that industrial administration could, in principle, be divided into two parts: one, the traditional routine work of administration within the responsible Ministries of Industry or Planning; the other, of more recent nature dealing with the practical industrialisation process. One can normally expect to find civil servants with considerable experience many of whom have over the years taken up-grading in such fields as organization and management. Existing national, regional and international institutions, universities and other learning centres provide adequate services for such civil servants. It is in the latter field that one does not find a sufficient number of either people with adequate skills, or existing programmes that have been effective in overcoming this deficiency. This should be one area of concentration for the proposed new programme. The subject of the new procedures for financing United Nations Development Programme projects figured in the discussion of the Meeting on the need for improvements in the implementation process.
31. UNDP projects will be planned on a country programme basis as of 1 January 1972. In addition, the United Nations is setting up a system for the assessment of implementation. Specific rules are being formulated, and in cases where implementation is delayed, projects may be cancelled. It

would therefore be of great advantage for countries to strengthen immediately their administrative assessment ability. Thus the Meeting concluded that requests for assistance in this sector would be forthcoming.

32. It was the general consensus of the Meeting that many governments would respond favourably to a programme or set of programmes only if it could be shown that it embodied a new approach which could be expected to lead directly to improvements in the implementation of industrial development. Several speakers noted that technical assistance programmes would become more effective if the above programme actually increased implementation and improved the decision-making process.

33. An inter-disciplinary diagnostic approach to the problem of individual countries in regard to planning and the implementation of industrial projects may be the most adequate method to assist requesting countries. If, as was the general belief of the participants, it should be found that an integrated package of programmes aiming at both short- and long-term results are necessary to obtain improvements, governmental requests would be expected. While there was no unanimity regarding the forecasted response level to each of the various elements of the programme discussed, it was generally agreed that a programme, which took into consideration the availability of participants, particularly those in the higher levels of positions, would be welcomed and utilised.

CHAPTER THREE - POTENTIAL CONTRIBUTION OF TECHNICAL ASSISTANCE

TO THE IMPROVEMENT OF INDUSTRIAL ADMINISTRATION

Estimate of size

34. The discussions dealt with the probable size - an estimate - of those who might make use of the activities of the proposed Centre, e.g. countries and individuals to be involved during initial years and for a continuing programme. Although the Meeting did not examine this topic in detail, it was obvious from comments made by the participants from the developing countries that there was a large group of individuals who would welcome this assistance.

Selection of individuals

35. As a second point, the Meeting discussed possible ways and means of identifying the types of individuals from the developing countries who would gain most from participation in the programme of the proposed Centre. It was agreed that there were several echelons of administrators ranging from policy makers through planners to implementors who could benefit from the programme. It was also stated that the function of the person should determine the kind of training, and that no differentiation be made between public and private sectors.
36. It was thought that the assistance required would have to be formulated in two ways. First it was necessary to identify unique and dynamic approaches to retraining and up-grading existing administrative staff on a short term basis. The second approach would be to develop long-term programmes based on research. The long-term programme would involve a new approach for preparing the "new man" needed for industrial development as mentioned in Chapter Two.
37. It was felt that in the process of selecting individuals to participate in the short-term programmes, proper attention should be given to the actual needs of the country. A decision would have to be made whether the proposed Centre should deal with general problems related to industrialization or be more concerned with the development of a particular branch or sector of an industry. Another type of programme might deal with the planning and implementation of large scale projects. A feature of the proposed Centre's activities might be a programme of inter-disciplinary seminars, with participation by such individuals as: directors and executives of public and private enterprises, and of financial institutions for industrial development.

38. Another example brought forward and favourably considered at the Meeting was the initiation of a regular programme on decision-making in the industrial development process. This programme would be directed to officials on the highest level in government and would therefore be primarily an exchange of ideas and experiences; executives of more developed countries would also be invited to take part in the dialogue.

Foundation for support

39. The Meeting noted that in the case of some countries it may be easy to carry conviction and to gain support for the proposed programme. In this connection the Meeting was informed of the content of a speech made recently by a minister of an industrializing African country. The minister considered weakness in his country's high level manpower as one of its leading problems; they have become so used to thinking of themselves (with the encouragement of foreign admirers) as possessing a very capable ruling class. He felt it fortunate for his country, however, that foreign commentators add the rider "in comparison with other African countries". This, he felt, robs the compliment of most of its meaning.
40. He went on to say that his country must get rid of the comfortable national self-delusion that they are already a very competent and efficient people; they are not. He added that in watching the cruel ineffectiveness with which so much expensively acquired equipment is operated, in realising the inability of most parts of the administrative and managerial machinery to deliver the high quality performance required for a more rapid pace of national progress, his countrymen would realize that while they may possess an articulated and polished elite in comparison with other African countries, they do not yet possess the managerial resources for running a fully modernised country. It was his expressed hope that his countrymen would still be humble and realistic enough to acknowledge these deficiencies, and that as they travelled around the world they would keep their eyes open to measure, learn, and adopt the standards of managerial and administrative performance, the skills and the application that go into sustaining a modern economy.
41. The Meeting observed that there are very few men in high positions charged with guiding economic destinies of masses of people who are or can be as direct and unambiguous as the above cited minister. It was agreed that what he observed has relevance and application in most of the developing countries.

42. That there is need for such assistance is echoed occasionally in public utterances, but most generally it is admitted in private conversations. One can understand the reluctance to be vociferous in such matters, but those involved in helping industrial development cannot ignore it; they must do something about it.
43. The Meeting felt that in view of the varied requirements, no single programme could serve the needs of the developing countries. Tailor-made programmes varying in level as well as in scope should be undertaken. Special programmes should be designed on a country basis, or on the basis of small groups of countries having similar problems. Case studies relating to specific situations should be collected and elaborated. Other programmes would include administrators from different countries but who performed similar functions, on the assumption that a dialogue among those experiencing the same kind of challenges in their task would be beneficial.
44. Furthermore, the Meeting emphasized the need for an articulate and flexible approach in the design of the general programme of action and in the development of each individual programme. It was also considered essential that there be elasticity and openness of perspective within each programme.
45. It was recognized that at an appropriate stage and in close collaboration with the proposed United Nations Staff College and other interested international agencies, selected international civil servants and technical assistance might be included as participants in the programme. Furthermore, the view was expressed that participants of governmental, consulting and industrial organizations would also benefit from the programmes of the proposed Centre.
46. Thus planning for the proposed Centre could not be detailed. The Meeting could only indicate areas of concern, and deal with only those principles and procedures that would allow for a maximum of creativity and interpersonal stimulation.

CHAPTER FOUR

DESIGN OF MORE EFFECTIVE TECHNICAL ASSISTANCE PROGRAMMES
FOR IMPROVED INDUSTRIAL ADMINISTRATION

Some Considerations for the Design of a Programme

47. The Meeting noted that the design of the programme will have to be based on valid identification of the needs for comprehensive development. It will be unrealistic to go by generalisations based merely on impressionistic assessments.
48. The proposed Centre, it was stated, should not develop into a school with the organisation of formal training courses. Its major contribution should be the provision of an environment where industrial administrators from different countries and regions could exchange experiences, discuss mutual problems, and gain from each other's experiences. This learning environment, which might focus on the art of decision-making, might be reinforced through the introduction of special subject matter which might provide the substance on which decision-making could be tested. It is anticipated that the proposed Centre may want to give considerable attention to appropriate professional subject matter. Examples of what might be considered appropriate were given: organisation analysis, management information, achievement development, and technology evaluation.
49. The view was expressed that the professional subject matter could possibly be introduced through case studies or syndicates. In time, case histories could be written relating the skill of industrial administrators to later evidence of accelerated or retarded industrial growth.
50. It was also stated that there may have to be planned research, field observations and discussions with senior administrators themselves together with other knowledgeable persons; and by verifications much beyond what is presently known. It was thought useful to run a pilot programme before finalising the design of content, innovations, and methodology for the proposed training.

51. The assessment of development needs of senior administrators should not be left solely for decisions by the proposed Centre's training staff and related experts. It was suggested that the observation be accepted that training institutions often have an understandable inclination to offer and to promote what they can do best within the competence or expertise available.
52. A purposeful involvement of senior administrators themselves was viewed as helping considerably to define these needs and, at the same time, establishing more support for the programme designed to meet those needs.
53. Further, many participants stated there should be a clear acceptance by the training programme staff and the participants that the development of dynamic attitudes and realistic practice in the use of quantitative and non-quantitative administrative skills would not take place at the proposed Centre. The off-the-job training programme at the proposed Centre could only inform, indicate, demonstrate and start a process of development that must by necessity culminate in actual application by the trainee on-the-job.
54. The subject was raised of integrating training efforts with changes in administrative systems. It was agreed that this is difficult to impose from outside. The initiative should come from within. Thus it was felt necessary to have a critical concentration of fuller understanding of modern management techniques and of enhanced motivation among a sizeable number of senior administrators, especially among those whose work interlocks or who form operating teams for industrial development programmes.
55. One delegate gave an account of the training programme carried out in the field of administration by the United Nations Institute for Training and Research. Other delegates, in a summarized form, explained the work of the Organization for Economic and Cultural Development's several training institutes active in this and related areas. The question was raised of possible duplication of work between existing institutions and the programme of the proposed industrial administration Centre. It was generally agreed that duplication could be avoided as a result of careful planning. Thus it was suggested that the Austrian Government and UNIDO undertake

consultations, at the appropriate stage, with the various institutions inside and outside the United Nations system who carry out research and training in fields related to industrial administration. This would be conducive to positive co-ordination with those found willing and able to give practical help through their knowledge and experience. Also, the possibility of joint programmes in training and research could be discussed. Furthermore, common efforts to devise new forms of mutually profitable co-operation between developing and developed countries would be welcomed.

56. As regards final decisions on the establishment of the proposed Centre, it was generally agreed that the Meeting might first like to see a programme, with various projects included, discussed and developed.
57. One delegate suggested that the programme essentially should deal with research in the field of industrial administration; furthermore, that it should be concerned with collection and dissemination of information in the aforementioned fields. He further explained that one specific project directly related to this approach would be to establish a network of correspondents in various countries. Developing countries, he added, could be mobilised to carry out research. In particular, it would be important to study the decision-making process as being implemented by the ministries of industries and national planning commissions, and to introduce methods based on these practical observations.
58. It was further suggested that part of the training be carried out on the spot in close co-ordination with research findings to be followed by practical applications. In order to get the full support for such a programme, it was suggested that cabinet ministers from the developing countries be asked to attend short and intensive sessions in Vienna, where the programme could be explained and financial support could be obtained.
59. The idea for a second type of programme was advanced which would require a thorough briefing of UNIDO and Austrian experts before they take up their field assignments. Furthermore, UNIDO and the Austrian Government could start an on-the-job training programme for industrial administrators.

60. One participant urged that a proper balance be achieved between training activities at the proposed Centre and programmes in developing countries where follow-up activities would be especially important. He stressed the need for careful planning based on exploration of various alternatives with the view to establishing a small model programme which could be expanded as adequate resources would become available.
61. One delegate maintained that a realistic analysis should be made of financial needs, that various sources should be sought for financing, that it must indeed be a co-operative effort based upon clear identification of the scope of the project.

CHAPTER FIVE

SUMMARY AND CONCLUSIONS

A summary of the major issues discussed and conclusions reached at the Meeting are given below.

The participants at the Meeting recognised:

- a) That there is an inadequacy between the plans for industrialisation and the implementation of these with adverse results to the economy and industry;
- b) That this problem may be owing to two major facts:
 - (i) The insufficiency or lack of professionals within the organisation, working with the planners and the implementors;
 - (ii) That a number of the staff at the organisational levels referred to is being asked to perform new kinds of functions, at an increasing rate, as a result of the industrialisation process, for which they have not been properly trained;
- c) That this problem is becoming more complex.

The meeting therefore suggested:

- a) That several actions, using different approaches, various means - not only training - and various techniques should be initiated;
- b) That in this connexion not only classical approaches and techniques to problem solving should be used, but also, at the same time, innovative ideas and approaches should be carefully experimented with on a systematic pilot basis;
- c) That suitable and sufficient resources should be put at the disposal for these experiments and pilot projects;

- d) That plans should be established in time to ensure the speedy implementation of proven new ideas, on a large scale, in the organizations of the industrializing countries.

64. Further, the Meeting duly noted:

- a) That programmes and courses in the field of public administration - at all levels and covering a variety of subjects - have been given for years, and still exist, in a great number of the industrializing countries;
- b) That new training programmes to be initiated will have to be carefully tailored to the particular problems and tasks related to industrial development in general and the needs for integration between planning and execution in particular; and
- c) That in doing so, the size of population, by quantity and quality, to become basically trained or upgraded could be more easily identified.

65. The participants of the Meeting called for the setting up of a joint committee of members of Austrian organizations and UNIDO, who would be responsible, inter alia, for analyzing further the suggestions made during the Meeting; putting them together into project and programme forms; presenting them as a blueprint for action.

66. The Joint Committee made the following recommendations:

- a) That UNIDO organize a pilot project on either a national or inter-regional basis to identify specific deficiencies that could be improved through effective training. The study should be directed to determining both long- and short-term programmes;

- b) That a concrete study and research effort be undertaken with a view to developing innovative approaches to training in industrial administration which might be conducted at the proposed Centre;
- c) That the Austrian Government consider assisting UNIDO in obtaining the financial and man-power resources needed to undertake the diagnostic pilot project and to initiate preliminary studies;
- d) That UNIDO and the Government of Austria continue close co-operation to further explore the need for and form of a continuing programme designed to motivate decision-makers and administrators engaged in the industrial development process.

ANNEX I ORGANIZATIONAL MATTERS

WORK PROGRAMME AND AGENDA

Friday, 26 November

9:00 AM
9:30 AM
10:00 AM

Administrative matters

Opening ceremony

Organisational working session

- (a) election of chairman
- (b) Adoption of the agenda ✓
- (c) Election of other officers: formation of working groups

11:30 AM
2:00 PM
4:14 PM

Discussion

Discussion

Discussion among working groups

Saturday, 27 November

9:30 AM
2:15 PM

Discussion

Discussion

Sunday, 28 November

9:00 AM
2:15 PM
4:00 PM

Discussion

Discussion; approval of draft final report

Closing session

Adjournment

Place of the Joint Meeting

Friday, 26 November

UNIDO, Felderhaus, Room 709
Rathausplatz 2, Vienna 1010

Saturday, 27 November

Sunday, 28 November

Diplomatic Academy
Favoritenstrasse 14, Vienna 1040

✓ Distributed as document ID/WG.115/.

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LIST OF DOCUMENTS

INFORMATION BUREAU

Provisional Agenda

ID/NO. 115/1

Discussion paper

"More Effective Training in Industrial Administration"
by R.N. Jai

ID/NO. 115/2

BUNDESMINISTERIUM
FÜR
AUSWÄRTIGE ANGELEGENHEITEN

WIEN, 7th June, 1971

RECEIVED

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Dear Mr. Executive Director,

The Austrian Government has noted with interest UNIDO's newly organized Group 7 dealing with Industrial Administration, and also Projekt Nr. 10a.05 entitled: Training in Industrial Administration.

We note further the strong approval given these actions by the Working Group, and particularly the stress given to the need for training officials engaged in industrial administration within public organizations.

Austrian interest has been further expressed during recent meetings with Mr. Stepanek and Mr. Rubin, and I would like to suggest to you that these meetings should be continued with the objective of exploring how Austrian organizations may best co-operate with UNIDO to undertake training in industrial administration. In fact, we are hopeful that these further discussions may lead to a plan for the establishment of an Industrial Administration Centre to be located in Vienna.

Our particular interest in such a Centre derives from the conclusion that insufficient attention is now being paid to the implementation of industrialization programmes as contrasted to the concern for industrial planning.

The individuals who might possibly attend meetings at the Centre would include high-ranking Government officials and selected industrialists from both the developing and developed countries, plus selected UNIDO personnel particularly Industrial Development Field Advisers.

We recognize that a full development of such a Centre would require resources beyond those available to the Austrian Government.

As a start, I would like to suggest that the Austrian Government, UNIDO and representatives of UNITAR hold a preparatory meeting for approximately three days later this year to analyze in some detail the practicality of such a Centre and, if found acceptable, to draft initial plans.

I am, dear Sir,

yours sincerely,



Peter Müller
Permanent Representative of
Austria to UNIDO

Mr. I. H. Abdel-Rahman
Executive Director
Vienna

ANNEX 3

Speech by His Excellency, Mr. Rudolf Kirchschoelager, Government of Austria, Vienna, 26 November 1971.

It is my honour and pleasure to welcome all the participants to this Meeting, organized by UNIDO with participation of several Austrian organizations. I welcome particularly those Gentlemen who have come to Vienna from abroad.

The Austrian Government has noted with great interest the idea to establish on a permanent basis a Centre for Industrial Administration affiliated to UNIDO.

This initiative can be regarded as a new example of the manifold activities which UNIDO has already displayed in the field of training. At the same time, it proves once more that UNIDO is undoubtedly among the most ambitious agencies.

The great importance of training is evident in all sectors of economic and social development. It is particularly indispensable in the field of industrialization, where the quality of the decision making process in public and private administration has a direct and strong impact on success or failure of industrial development plans and projects.

It seems, on the other hand, that administration and implementation of industrial programmes have been regarded in the past as being only of secondary importance compared with industrial planning.

From this point of view the idea to create an Industrial Administration Centre which would offer a variety of training courses and programmes for public and private administrative personnel, is a most interesting and recommendable action.

If the new Centre will be located at the Headquarters of UNIDO in Vienna, many new possibilities for closer co-operation between UNIDO and Austria will be opened.

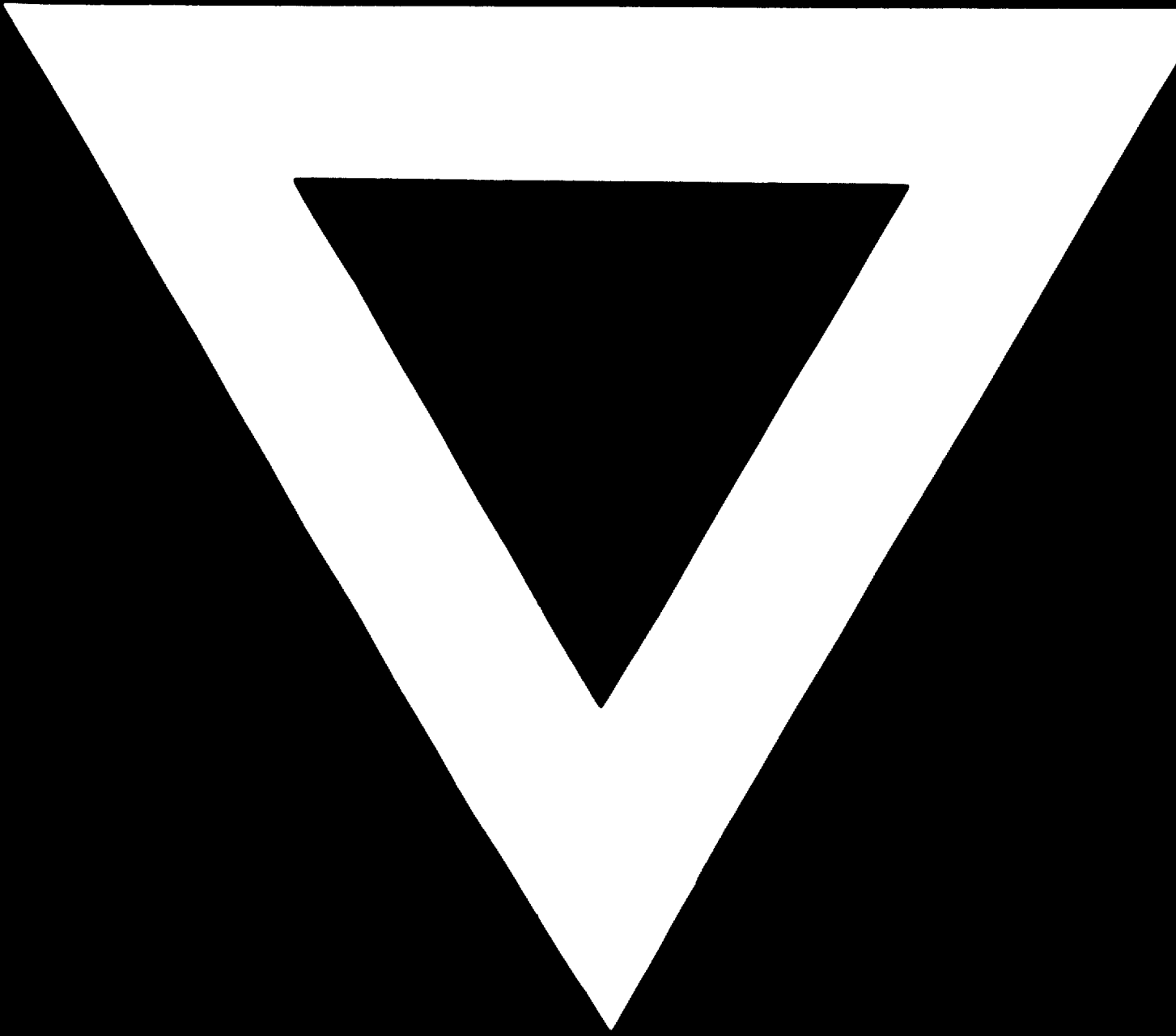
Such fruitful co-operation between UNIDO and its host country has already been achieved in the case of joint seminars, as for example the Seminar on Plastic Technology, which is organized each year by UNIDO in co-operation with Austrian scientific and training institutes, and which is supported by a financial contribution of the Austrian Government.

Apart from the structure, functions and study programme of the new Centre for Industrial Administration, consideration must also be given to the question of raising the necessary funds and to secure the support and participation of other international organizations concerned, as well as Austrian institutions.

I am, therefore, glad to note that representatives from several Austrian official and private organizations have accepted the invitation of UNIDO to take part in this preparatory meeting. I do not doubt that in view of the great interest shown and with the active help of these institutions and the support of the Austrian Government UNIDO will succeed in implementing its plans to establish a Centre for Industrial Administration.

In conclusion I wish to UNIDO and all participants of this Colloquium much success and a fruitful conclusion of their discussions.





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