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NEW PROSPECTS IN COOPERATIVE MANAGEMENT TRAINING*

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The whole economic environment in the USSR is being drastically changed thus the conditions in which our managerial staff have to function are constantly changing. And soon, in all probability, these changes would become much stronger. It can be expected that with the rising and developing of home market competition requirements to personnel training will also undergo certain changes in the field of technology, administration and economy. Entirely new skills and abilities will appear: quick evaluation of constantly changing situation, taking best fit decisions which until now were not required practically on any level; most efficient management of the staff while securing a wide choice of forms and methods in handling the personnel - the skills that any Soviet manager until now lacked; new thinking in genuine economic categories. The ability to control and keep to the written and unwritten so-called "rules of the game" in relatively stable conditions will eventually disappear. The qualification of the personnel in coping with these tasks will mainly, as we hope, determine success or failure of any enterprise or organization on the market and, finally, its very existence. Initially the new requirements will most likely affect the personnel of cooperatives and leased-out enterprises directly connected with the market and free of many legal restrictions acting today. They will be the first to feel the need in drastic changes of their personnel training methods. Today their requirements are being satisfied everywhere by emerging schools for managers, and success of these schools clearly speaks of their real necessity well realized today. But it is impossible to obtain the knowledge of most complicated problems of management, marketing, economic analysis, information processing, industrial sociology and psychology and management organization in a month or even in half a year.

Solid, systematic and specialised basic training and education are absolutely necessary here.

Unfortunately the system of higher education in this country will be restructured very slowly and it will certainly fall behind the new requirements. Higher education institutions will be restructured and re-organized as slowly as state-run enterprises due to the same reasons: cumbersome administrative structures the whole sense of which was to control and monitor the acting regulations and norms, complex and extremely over-detailed sets of rules which could be revised only as a whole system thus making it very difficult to seek any new forms; impossibility to freely maneuver resources; lack of direct ties with the market, a dependent position of any higher education establishment in regards of its clients' requests, I.e. the requirements of enterprises and organizations.

But there exist some educational and training establishments which can easier than the others get rid of these shortcomings. They are cooperative educational and training establishments which are less subjected to the state mechanism of control and regulation and closer connected to the environment for which they are training personnel. Until recently the cooperative higher training and educational establishments have suffered the same shortcomings as similar institutions in this country. But today there appeared some real prerequisites for their comparatively quick restructuring. Primarily the cooperative movement itself is changing. Such changes are happening in the whole world; cooperatives are gradually losing their traditional function of being the so-called guarantors of stability for the economic environment of independent producers and consumers. They are themselves becoming performers and agents of the changes playing the rôle of entrepreneurs. It's true for various countries ranging from China to Sweden and the U.S.A. where this so-called new, and to a considerable extent entrepreneurial cooperative movement

The USSR makes no exception. And probably just the cooperative system of higher education and training is capable of quick response to new requirements which make themselves acutely felt in the cooperative environment.

Today the Moscow Co-operative Institute belonging to the system of the USSR consumer cooperative movement has begun such a restructuring. The Institute has already existed for more than 60 years, however today it lives through its second "birth". Two years ago a new research and training complex was set up as its branch. The complex comprises its own training and educational centre, about 1,000 Soviet and foreign students graduate it annually. More than 1,000 correspondent-course students are trained at basic faculties: commodities science, planning, economy, statistics. They train specialists on cooperative trading, accounting, scientific management, foreign economic relations, finance and credits. It also has an All Union Research and Development Institute and the International Cooperative Training Centre for providing refresher courses for managerial specialists both Soviet and foreign. Favourable conditions for fundamental restructuring the system for training cooperative managerial staff are created by combining a research institute, training establishment, basic educational complex with short-term high grade specialists refresher courses.

But the question arises here: is there any sense at all to separate just cooperative managerial education from the general education system of the USSR? The question may seem strange. Cooperative movement is developing and getting more complex, it is becoming more diversified; its requirements in qualified personnel are expected to increase sharply. But the problem is what kind of personnel? The modern cooperative movement cannot be managed by those who have guided it up to now. In any case, at least not only by them.

As it was already pointed out, the margin between cooperative and entrepreneurial activities is gradually disappearing all over the world. Still more apparent is this process in the USSR where cooperative movement remains the only sphere of non-government run economy living according to the laws of free market. The main personnel cadres which are needed for such cooperatives are entrepreneurs and managers. But the same specialists in the nearest future will be needed for various types of leased and then state run self-accounting enterprises. They all will equally need management, scientific organization of labour, marketing, experience of joint ventures activity, patent and inventors' rights and other branches of legal law making; and, of course, enterprising spirit, skills of quick decision making and fast and all-sided evaluation of existing situation simulated in business games, in situational analysis sessions, synectics of morphological analysis, brain attacks and, especially, in the course of practical work in cooperatives at small and medium size business enterprises. Such specialist are needed by all and everywhere. The more so cooperatives require more or less advanced courses on pure cooperative subjects, - but this is rather a substructure for training general entrepreneurs and managers.

This feature is of great importance as it opens a potentially vast market for new conceptions of cooperative training and those educational and training establishments which are in the process of restructuring at present. But the real restructuring of any educational and training process will be possible only then when the educational and training establishment in question will be directly connected to its potential clients, i.e. with those who require qualified specialists and who are ready to pay the expenses for their education and training. Only such economic ties will allow this educational and training establishment to have enough resources and sufficient independence to use them. No real reconstruction of education and training is possible without the

This conception has been put into the basis of today's plans for developing the research and educational complex at the Moscow Co-operative Institute of the Centrosoyuz. The conception is somewhat alike the "phystech system" well known in the USSR. The leading faculties of the Moscow physics and technology institute, as is well known, have access to the main scientific research organizations. Senior students are staying at the laboratories of these establishments probably longer than in the institute lecture halls. They take an active part in the scheduled scientific work and upon graduation from the institute they continue working in the same scientific establishments.

This procedure proved its high effectiveness and, probably, it fully answers the aims of the new cooperative education. Evidently students must be educated and trained just according to the requirements of those cooperatives which place orders for such specialists. The same is true regarding cooperative cartels, enterprises and organizations and partially those students who have decided to devote themselves to business and management and who pay for their education and training personally. Here the experience of many other countries can be used: where a young man can get a long term credit to receive certain education and training. High enough income which business activity offers in this country can cover these expenses. It is quite possible that free of charge education which supposes that the graduate of any higher education and training establishment should work out a certain term at the enterprise where he was sent by the institute he graduated from must be refunded by the enterprise.

Of course, all this can have any sense only under the condition of a high enough level of education and training. The main idea here is that this education and training should answer the real long term requirements of the enterprises and organizations in question. Otherwise the latter would not pay money at all.

The educational and training programmes should be compiled in such a way that it were possible to change them at wish, then specialists of the highest qualification should be employed as teachers and instructors. Among them should be businessmen who are paid accordingly. Students must be paid for practical work. On the other hand the client enterprises will be able to draw senior students to practical solving their problems already at this stage partially covering their expenses and, most important, they are training their future employee in the field of their specific tasks, conditions and requirements.

Economic interests and prestige will allow the higher education and training establishment to give up the existing, in many aspects formal ways and methods of controlling education and training processes. The institute itself is more interested in keeping up its prestige than any controlling body or the author of any regulations and rules. It's worth while also to change the diploma form: it should show courses attended to, marks, names of teachers and faculty heads responsible for the mark and the general level of subject knowledge. This, without any doubt, will raise the responsibility on the part of the teachers towards their subject, students and their job. It goes without saying that all this is impossible without much higher than it is today responsibility on the part of the student himself as economy reasons will force him to do this. Having spent his own money or that given to him by his sponsors the student will be highly interested to get for this money such skills and know-how which assure him success in his future work, quick professional and career promotion. In case of his service incompetence the student should suffer economic losses, i.e. he may be expelled and part or the whole amount of his payment for education can be forfeited. Today some students who have passed rather high entrance examinations requirements at the Moscow cooperative institute are very often inactive, do not show much interest in obtaining knowledge, work flip-flap. This is largely determined by the existing system of career promotion which is little dependent on the knowledge and proficiency received at the institute.

It is also determined by the shortcomings of the curricula but in many cases by an inborn irresponsibility towards results of their work, study, and training.

Here one should mention one more point. A would-be student of today isn't practically ready for independent mental effort. He's got poor ability for studying. Essentially those finishing school are not able to read correctly, to analyze what they have read, to distinguish the primary and the secondary, to create in their mind a logical scheme of what they have read, to use this for further application in problem solving. He is unable to memorize what he has read, he does not possess the elementary discipline of thinking. And of course he is unable to work with various information sources, bibliographic and reference text-books, library card index, to be active at the lectures, to select information logically.

Evidently, having received certain freedom in determining the curricula it's worth while to cardinaly review and reconstruct the whole education and training course. The first term and maybe the whole first year should be devoted to working out the skills of processing information, to dynamic reading, information analysis and synthesis, i.e. pointing out the basic semantic text components, annotating and reviewing literature texts, learning to concentrate attention, searching for and quick summarizing and utilizing necessary information etc. Expenses and efforts will be fully repaid. In the future time needed for mastering the subjects will sharply decrease, students' work with literature and self-studies will play bigger role, the number of lectures will be reduced, practical studies to utilize received information and develop skills will increase more business games, practical exercises, situational analysis, problem solving etc. will be used extensively. And what is more important the graduate will be a real specialist, able to quickly grasp any subject - the ability which is more important today than any concrete knowledge which has to be reviewed constantly.

In this new economic environment, which as we hope, will take shape in this country the above mentioned specialist will be of great value and demand; enterprises, firms and cooperatives using his skills and abilities will gain considerable advantages in competition struggle.

Today the cooperative institute has already begun to train the new type of co-operators according to the programmes ordered by cooperatives themselves. For the time being they are as a rule three or four week courses, devoted to the problems of labour payments, finances, legal defence of cooperatives' rights and applied technologies. New cooperative managers are not interested in long term and fundamental education and training (a propos, they, as a rule, are people having higher education and training). Here we see their uncertainty in what may happen tomorrow, and the small size of the cooperatives themselves. Then the lack of competition, the possibility to skim the cream off the deficit economy do not encourage them to invest in fundamental education and training for their employees.

More likely that the first applicers for the type of training and education could be large cooperative cartels capable of planning the long term strategy, such as Centrosoyuz, restructuring today its work; various new cooperative associations, branch and territorial entities. Later, perhaps, their example will be followed by self-accounting enterprises, industrial cooperatives and others. Here the decisive word will belong to competition requirements, to the rapidity of re-organizing the conditions of economy functioning. The more so that the whole world experience shows: the faster and more radically these changes occur, the more important is the new fundamental knowledge ensuring broad enough view, perception of their future perspectives and the flexibility of thinking. That's the only possible basis for quick acquiring of the new knowledge and adaption to ever changing situation.

But all this the Soviet businessmen are only going to learn.

And here one cannot avoid mentioning another important sphere of that new cooperative education and training the basis of which are being constructed at the research and training complex of the Moscow cooperative institute. There is a special faculty there which has long been training foreign co-operators. Evidently the introduction of the system "pay as you go" for foreign students will allow to sharply extend the scope of their education and training and raise their level. Funds received from this source can be utilized and channeled for drastic improvement of the material basis of education and training, for inviting leading world specialists to read lectures on topical international economic problems.

The Moscow cooperative institute has got at its disposal considerable training and educational facilities, qualified specialists, the experience of work with foreign students and it could become thanks to this one of the leading world centres of the new cooperative education and training. This institute can combine traditional social values of home cooperative movement with skills, methods and know-how of modern management, entrepreneurship, and economy analysis. All this has got a primary importance for developing countries as a number of problems which we come across today here when we transfer to market economy are equal to the problems these developing countries face. The Soviet experience in this field can be of great use to them. With the support of multinational cooperative organizations and all interested in developing cooperative movement institutes the research and training centre at the Moscow cooperative institute would be able to play a bigger role in developing the new cooperative movement throughout the world so that this movement should take its proper place in the world in the 21st century.