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DEPARTMENT OF TRADE AND INDUSTRY
ORGANISATION AND MANPOWER DEVELOPMENT PROJECT

DP/PNG/86/002/11-58/J 12413

PAPUA NEW GUINEA

Terminal report^{1*}

Prepared for the Government of Papua New Guinea
by the United Nations Industrial Development Organisation
acting as executing agency for the United Nations Development
Programme

Based on the work of Lawrence Stephens, Consultant

United Nations Industrial Development Organisation
Vienna

May 1992

¹ * This document has not been cleared with UNIDO or the Government Implementing Agency which do not therefore necessarily share the views presented.

SUMMARY OF PROJECT EVALUATION

This report follows the Organisation and Manpower Development Project Report, submitted in December 1991, which the consultant was requested to assist in implementing during the period 1 January to 31 May 1992.

The report highlights areas where considerable advances have been made since September 1992 and areas still requiring attention. Major achievements include: the commencement of a programme aimed at upgrading the general standard of education in the Department, which has resulted in staff beginning to enrol in various courses (high school, university and post university); the introduction of selection and promotion criteria related to position levels as a means to more appropriate staffing decisions and as a guide to individual career development steps needed to meet the objectives of the organisation; the "institutionalisation" of project and activities tracking systems; growing acceptance of performance based staff recognition; increased computer literacy and staff usage of computer equipment; continuing efforts to establish and maintain a computer based personnel management system; and, nominations to appropriate training sessions both in-house and external.

It remains apparent that the UNIDO project team, in the Department of Trade and Industry, has made a major contribution to the development of the organisation and, more particularly, individuals within it. The Organisation and Manpower Development Project, as a part of the UNIDO team effort, has resulted in significant changes in and achievements by the Department.

As with other projects of this nature, supported by the international donor community, the years immediately following its completion will be critical to the overall success of

the project. There remains a need to recruit and train staff to meet the increasingly complex demands on the Department, and to support these staff with technical specialists as necessary. There is a very real need for the management of the Department to maintain its commitment to change and a vitally evident requirement for the National Government's central agencies to assist and encourage these efforts.

LIST OF ABBREVIATIONS USED

| | |
|---------|--|
| CTA | Chief Technical Advisor, UNIDO Project |
| DTI | The Department of Trade and Industry |
| IPA | Investment Promotion Authority |
| OIDA | Office of International Development Assistance |
| PAC | Pacific Adventist College |
| SBDC | Small Business Development Corporation |
| SMC | Senior Management Committee, Department of Trade and Industry. |
| SPATF | South Pacific Appropriate Technology Foundation |
| UNDP | United Nations Development Programme |
| UNIDO | United Nations Industrial Development Organisation |
| UNITECH | University of Technology |
| UPNG | University of Papua New Guinea |

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INTRODUCTION

The Department of Trade and Industry continues to seek to bring about changes to the industry and trade environment of Papua New Guinea.

Part of its development efforts have been directed through the assistance of a UNIDO team, brought in to complement the Department's capacity to respond to changing circumstances.

The objective of the UNIDO project was institution-building. As the project developed its emphasis moved to direct support, in which UNIDO team members participated by providing advisory services as well as performing line functions in various areas.

Notable contributions of the UNIDO team have been in the areas of review of the 1984 Industrialisation White Paper, establishment of the SBDC and IPA. Work in relation to IPA culminated in an Act of Parliament and the promulgation of associated investment regulations.

During the pen-ultimate tripartite review meeting it was noted that the project had had limited impact on the institution-building of the Department. It was felt that the UNIDO team had generally not been able to effectively contribute to training of DTI personnel as a whole (although individual team members' involvement in the training of some individuals had been significant). There was a danger that, at the expiry of the project in 1992, the Department would be further weakened in policy formulation capabilities unless alternative arrangements were put in place.

Through the assistance of UNIDO, a study was commissioned to assist review existing organisation structures, systems and manpower resources in the light of the Medium Term Industry and Trade Development Action Plan, then being prepared and subsequently presented in the National Parliament on 29 August 1991.

The aims of the study were refined towards the creation of an organisation in which the process of institutional development becomes itself institutionalised, drawing on the committed support of the organisation's management and staff.

It was found that finalisation of the report needed to be done in conjunction with efforts to develop a cohesive strategic business planning system, aimed at achieving organisational objectives. The Secretary for Trade and Industry advised the Director of the Office of International Development Assistance that he had requested an extension of the original terms of reference.

"During the course of the consultancy, based on my more improved knowledge of DTI including from the initial draft papers by Mr Stephens, I directed that Mr Stephens adopt a more broader approach to the review as well as a different methodology which would involve a greater degree of DTI input in the final report".

"The consequence of my directions is that Mr Stephens' assignment went beyond the initial 5 week period".¹

The work of the project had extended well past the original contract period, to the end of November 1991. The study, finalised during November 1991, concluded with recommendations and identification of initiatives in train which would assist the Department in the process of institutional strengthening and increase the productivity and effectiveness of staff.

The consultant then continued to assist in the implementation of the project through December 1991 and, at the request of the Department, was engaged by means of a

¹ Letter from Mr Robert Igara, Secretary DTI to Mr G. Pepson, Director OIDA, 10 December 1991

further extension of the contract period from 1 January to 31 May 1992, in order to continue with this implementation.

It is in relation to efforts to implement recommendations of the report that this final report has been prepared.

CHAPTER I. PROJECT CONCEPT AND DESIGN

Major recommendations and initiatives identified in the project report included:

- i. developing and maintaining a strategic business planning system which will encourage the involvement, participation and commitment of staff in achieving organisational objectives;
- ii. introduction of a project tracking system to keep the Ministry aware of progress and accomplishments in projects and undertakings;
- iii. developing and allowing for the evolution of a system for constantly applying appropriate criteria in relation to personnel decisions;
- iv. raising the educational qualifications of professional staff from its (then) current base of 56% holding university qualifications to 100% by 1988;
- v. providing supplemental in-house and external training programmes to meet individual and group needs;
- vi. development of a staff recognition, motivation and control programme which will promote result orientation and professionalism;
- vii. effective management of information and increased computer orientation.

These initiatives and recommendations were incorporated in the 1992 work plan of the Department, along with supplemental recommendations.

A. Institutional Context of the Project

Implementation of the report recommendations has been commenced in the context of an institution which continues to evolve, a process which accelerated as a result of new directions from Government and the current Secretary. Work conducted by, or closely involving, members of the UNIDO team and other Technical Advisors has also resulted in further acceleration of this evolution - with the SBDC becoming operative, the IPA establishing, the Lae Industrial Development Centre progressing, and major project agreements being developed.

As this has been going on there have also been changes in the upper leadership levels of the Department, with the Deputy Secretary preparing to depart for his posting in Europe, and the heads of the Industry, Trade and Commerce Divisions leaving to take up other assignments. Further movement of less senior staff continued, although replacements have resulted in further improving the general educational standards of staff.

B. Organisation and Manpower Development Project Report

For the purpose of the latter portion of the assignment, the project report (presented in December 1991) and associated work plans became the working project document. This document has been distributed widely within the National Government's Central Agencies and among international agencies involved in various projects relating to the activities of the Department of Trade and Industry. It has now been reprinted for wider distribution and general reference by staff.

CHAPTER II. PROJECT IMPLEMENTATION

A. Delivery of inputs

The UNDP and UNIDO agreed to provide technical support during September-November 1992, and at the request of DTI, from January to May 1992. The consultant to the project remained with it for those periods.

B. Implementation of activities

The terms of reference for the consultant were:

1. To prepare an organisational manual for the Department of Trade and Industry including functions of divisions, branches and sections as well as duty statements for key staff in relation to the heads of these organisational units;
2. To outline the division of functions and duties between DTI and related statutory bodies and agencies;
3. To carry out a survey of the most urgent training needs of DTI taking into consideration the enlarged scope of work as outlined in the Medium Term Industry and Trade Development Action Plan and the 1992 budget;
4. To assist in formulating a detailed training programme for 1992 for DTI.

During the early stages of the consultancy these terms of reference were extended to include a far broader consideration of factors affecting the Department's capacity to perform its functions. Many of these factors were included in the report and are being attended to.

Organisational Manual

This has been achieved by the organisation itself undertaking a review of each position's responsibilities and has taken the form of a management plan which covers every position and provides an agreed timetable for task achievement.

Division of Functions and Duties Between DTI and Related Statutory Bodies and Agencies.

The programme of management planning was extended to SPATF, SBDC and IPA, resulting in a better delineation of responsibilities and functions. These will continue to develop during this year.

Survey of Training Needs

As part of the initial report a survey of training needs was conducted and further refined in the preparation of position criteria which are now being used in relation to training programme selections.

Training Programme

This has been developed in consultation with Divisions and other organisations. It extends past 1992. A major component of this programme will be a course work masters programme. Skills related training, particularly in relation to computerisation, continues.

Report Implementation

The Organisational Structure of the Department is now being examined and proposed changes are to be presented to the Central Agencies during July 1992.

Planning activities are being undertaken on an on-going basis and have been incorporated into budget proposals and the Department's work programmes. Monitoring of these plans still needs strengthening.

Managerial Capacity has been strengthened with the appointment of a new Deputy Secretary and insistence on basic knowledge and performance requirements for appointments to positions at all levels.

There remains a tendency for senior staff to fail to accept full responsibility for the activities of their staff and this failing requires further attention by the Executive and other SMC members. An occasional spot-check of attendance and activities of staff could be expected to produce some startling results which would be useful in considering staff allocation and establishment expansion proposals. In its simplest form such a spot check would involve a visit to each officer of the Department and completion of basic information as to what task they are engaged in at that time. This would add emphasis to the requirement that supervisors actually control the work programmes and performance of staff. Inclusion of management training in the training plans for all staff is now accepted.

Despite attempts to improve the Department's standard of meeting accountability and reporting requirements, there was criticism of its performance during the first quarterly review of its budget. This criticism has been taken into account in further efforts to improve the standard and timeliness of reporting activities.

Policy development, despite continuing concern as to individual officer's capacities, shows improvement as a result of greater consultation. It is being further strengthened by the allocation of Technical Advisors and contract officers to key areas. It remains evident however that important policy considerations in relation to such matters as co-operative societies, the reduction of procedural impediments to business peoples efforts to develop their companies, and the procurement of goods and services by major organisations (including government) have not been adequately addressed.

Financial management and general administration has been improved remarkably during the first half of 1992, with reports being readily available for the SMC to monitor

performance. Although the accounting function has been strengthened considerably administrative performance still requires attention, particularly in relation to the provision of services and supplies by the Management and Planning Division.

Tolerance of poor staff performance has decreased and there have been numerous instances of staff being officially required to explain failings in this regard. Attention to this depends largely on the continued commitment of management and support from the Department of Personnel Management in more extreme cases.

Educational standards are being addressed, as detailed in other areas of this report. There is increased emphasis on graduate recruitment and staff promotions.

Working experience, particularly with the private sector, has been given added importance in selection procedures. It remains evident however that public service employment conditions restrict the Department's efforts to recruit from the private sector.

CHAPTER III. PROJECT RESULTS AND ACHIEVEMENT OF OBJECTIVES

A. Outputs

1. Strategic and Business Planning Sessions

Goal: To develop and encourage a two way flow in approaching the department's, divisions', branches' and sections' functions of planning, leading, organising, and controlling projects, activities and undertakings.

Results: These were conducted, with the involvement of all staff and Technical Advisors. Originally intended to be finalised and accepted by early December, it was found that the attempt to co-ordinate activities on a Department and

Ministry wide basis led to a series of changes in the way in which individual functional areas need to approach the task of drawing up achievable work plans, within an overall policy framework. As a result of a series of revisions and continued efforts to bring individual staff plans into line with those of the Department the final work plans became available during March 1992.

This activity involved the expected learning curve for all staff members. Although it was finalised well after its original deadline, staff in the Department appeared to find the activity genuinely rewarding and there appears to be a firm basis for continuation of this activity, provided leadership insistence on it is maintained.

The extension of this system to other areas of the Ministry (SBDC, IPA, SPATF) has been introduced and a system for monitoring its progress in these organisations would now appear desirable.

Factors facilitating or impeding project output: The commitment of management to this activity has been the main factor contributing to the successes to date. There remains however a need to insist on all staff complying with directions and meeting objectives established.

2. Project and Activities Tracking System

Goal: To develop a project management system for the various projects and initiatives undertaken by the Department.

Results: As anticipated there have been obstacles to the full implementation of this system. These include changing work circumstances and demands as well as reluctance by some individuals to give the activity the attention it demands.

Despite obstacles the initiative has been followed through and it has become apparent that, in the cases of Divisions and Branches whose heads have insisted on staff reporting on a weekly basis, tracking progress with individual projects has become simplified. The significance of this activity became apparent to all staff when critical comments on the organisation's reporting procedures were received from the Department of Finance after the first quarterly review.

Responsibility for coordinating reporting, on a Department wide basis, has been taken on by the Information and Planning Branch of the Department's Management and Planning Division. This activity is becoming institutionalised as an internal function, although it should be noted that, on a Ministry wide basis, tracking of implementation progress still requires refinement.

Factors facilitating or impeding project output: As with similar projects, the procedure requires dramatic changes in the way individuals approach their daily, weekly and on-going tasks. It requires self-discipline and control in an environment which has not previously insisted on such qualities in staff. In some instances, the requirement to change long established behavioural patterns has not been welcomed.

The quantity of paper-work involved has also tended to be daunting to staff already convinced that their paper-work loads are impossibly heavy.

3. Information Management

Goal: To organise and systematise the various data files of the Department into an information base.

- (a) Conduct a needs analysis of the various information requirements of the organisation units of the Department and their service clients

(e.g. private sector and other government agencies).

- (b) Set up of priority research goals, according to the importance of the desired information in the performance of duties and objectives of the organisation.
- (c) Review of existing DTI records or data files and their organisation to information registries. Related information from other government agencies, particularly their library files, will also be gathered.
- (d) Identification of new information requirements and assignment of particular areas as project undertakings of particular divisions and their personnel.
- (e) Development of the catalogue of information and the computerisation of such information as warranted.

Results: With the assistance of a newly appointed Assistant Secretary to the Information and Planning Branch and a Principal Information Officer, this initiative continues as a routine operation. It has resulted in updating of large amounts of statistical, library, and correspondence files. Considerable effort was given to this effort by the UNIDO CTA in the last months of his contract and has resulted in greatly improved filing systems being adopted by two key divisions. Computerisation of library, statistical and correspondence files and their indexes continues.

Factors facilitating or impeding project output: The positions of both the above staff have been superimposed on positions whose occupants have long been accustomed to working largely un-supervised. It appears these staff would not

be readily replaced. Constant setting and revising of goals is essential. The Information and Planning function has been taken on by two talented officers and their performance has led to ever increasing expectations and work loads being placed on them. As a result they will require further support. In the absence of staff increases, rotation of appropriately qualified staff on developmental assignments may reduce the workload constraints experienced by these officers.

4. Computerisation

Goal: To increase personnel and organisational productivity through use of computer support and the improvement of information flow through data communication.

- (a) Computer orientation and skills development which includes training and an insistence by the organisation that computer skills will be required for staff retaining or advancing from their current levels.
- (b) Computer hardware acquisition.
- (c) Local Area Networking.

Results: More than 30% of staff have undertaken training in word-processing and spread-sheeting. The number of staff actually using such skills appears to be in excess of this 30% and all computer terminals in the Department are in constant use. Training programmes continue for the remainder of staff. Advanced level skills are still to be acquired by most staff members.

Factors facilitating or impeding project output: Support given by members of the UNIDO, team and other staff, to the organisation and individuals within it in relation to computerisation has had, and continues to have, lasting effects on

DTI's ability to adapt to office automation.

As with other areas in which improvement has been insisted upon, there are pockets of continuing resistance to changing habits in relation to use of office automation. There are numerous instances of staff who remain reluctant to learn how to use the computer system and who, as a result, remain heavily dependent on secretarial staff and inefficient hand written drafts of documents and spread sheets. Changes in selection procedures can be expected to change these attitudes during 1992.

There remains a need for the purchase of an overhead projector for computer data display, an item which was budgeted for in the closing months of the UNIDO project but which is yet to be purchased. This will greatly assist training efforts and the presentation, in conference settings, of information and statistics.

As more staff become familiar with the computer network there is an increasing demand on use of computer terminals, laptop computers and communication equipment. These will need to be incorporated in on-going budgets.

5. Continuing Education Programme and Qualifications Improvement

Goal: To raise the educational qualifications of the Department to a level appropriate to its roles and objectives, with particular emphasis given to university undergraduate degrees as a minimum requirement for positions at or above the "professional" entry level and a minimum of Grade 12 educational standards for support and secretarial staff.

Results: Selection criteria for staff entering or advancing within the Department have been revised with increased weighting on educational achievement. Three

recent appointments of staff with university under-graduate and, in one of these cases, post-graduate degrees have occurred.

Twenty-one further promotion/appointment decisions are in train and, in each case, increased emphasis is being given to educational achievement.

The three staff members with educational levels below that acceptable for entry to the Public Service have undertaken pre-entry tests with the College of Distance Education and are preparing to commence their studies.

Staff yet to obtain Grade 12 educational standards have been encouraged to seek enrolment in the University of Papua New Guinea's adult matriculation programme.

Professional staff who have yet to obtain undergraduate degrees are now aware of the requirement that they do so and five of these have made arrangements to continue their studies on a part-time basis during 1992.

Two staff members who have yet to obtain undergraduate degrees are being nominated for a Masters in International Relations programme conducted in Australia, commencing in early 1993.

Eight staff members have been nominated for a diploma programme in Economic Policy Analysis, conducted on a part-time basis, after-hours with the National Research Institute. It is intended that completion of this, or similar post-graduate in country programmes, will become a pre-requisite to further post graduate studies abroad.

Plans are in train for a minimum of four staff members to proceed to a Masters programme each year, with the first of these to be selected from among staff

enrolled in the Diploma in Economic Policy Analysis. An alternative being actively considered is to seek the involvement of a university in running special, intensive courses to serve as a pre-requisite for, and to count towards, the post graduate degree.

DTI is seeking admission of its personnel to an existing course work Masters programme with broadly the following components:

- (a) Principles relevant to public sector management.
- (b) International economic relations.
- (c) Political economy of development.
- (d) Public policy with a focus on such areas as planning, industrial development, and/or international development issues.
- (e) Options in relevant areas of such disciplines as:
 - i. Management
 - ii. Economics
 - iii. Law, including negotiations
 - iv. Industrial relations
 - v. Area studies, particularly of East and South East Asia
 Interdisciplinary studies of international organisations, multi-national businesses, etc. will also be considered for inclusion.

This programme will also involve supporting activities in the form of simulations, relevant computing skills, supplementary professional workshops in such areas as public speaking, project documentation, financial management, etc., attachments to medium and large scale business and government organisations, plus research, study, language and quantitative skills development.

Factors facilitating or impeding project output: Staff who have thus far in their careers not found their lack of education to be an impediment tend to be reluctant to make the effort required to gain further education. This became particularly

evident with the failure of relevant staff to attend the University adult matriculation pre-entry tests. It will be necessary to counsel such staff carefully prior to the closing of nominations for this course in the future.

The provision, by DTL, of transport for officers attending after-hours lectures or study-venues will remove a major obstacle many staff see to any efforts on their part to improve their education. The Secretary has instructed that transport be made available for this purpose in future and this will begin to have an effect on staff attitudes during the remainder of 1992.

Many individuals, with genuine desires to improve their educational qualifications, are restricted by heavy workloads and family commitments. As the organisation realises the extent of such restrictions it will need to make internal arrangements to allow opportunities to be given.

6. Training Programmes (In-House and External)

Goal: To equip staff at all levels with the skills or knowledge required for them to perform in their current or expected roles.

- (a) Examining each position taking into account skills and knowledge needed for the occupant to be effective.
- (b) Providing in-house training programmes designed to meet the requirements of staff at each-level.
- (c) Introducing a ten-month induction programme, for new entrants to the Department.
- (d) Arranging individual developmental assignments for staff as appropriate.
- (e) Incorporating reports by course participants, programme organisers and line supervisors in appointment, promotion or staff redirection decisions.

Results: The provision of in-house and external training programmes remains limited, in that the needs far outweigh the solutions so far being adopted.

- (a) The examination of each position is progressing but is yet to be fully achieved. With the introduction of work plans for each officer this has been achieved to a limited extent, in that there is a more comprehensive list of responsibilities for each position. By establishing selection criteria, for 21 of the positions under consideration for appointment decisions, there is now a stronger basis for agreement on developmental requirements of individuals interested in these positions and those looking to advancement into similar positions.

- (b) In-house training has been conducted in both group situations and on-the-job by UNIDO team members. It was found that, despite the line responsibilities of organisers, participants and session leaders, group sessions led by the UNIDO team members were well attended and received.

The UNIDO project terminal report spoke, with some concern, of beneficiaries of on-the-job training leaving the Department². The UNIDO report noted the break-down of counterpart arrangements as a result of the rapid movement of staff.

Whilst it is true that certain members of staff have left, and more can be expected to do so, this consultant holds a firm view that the efforts of the UNIDO team-members have had a far more lasting effect on many individuals remaining with the Department. This can be seen in, for example, the familiarity members of staff have developed with the

² Institution Building for Industrial Promotion, Papua New Guinea, Draft Terminal Report, p16.

concepts involved in calculating financial and economic rates of return, investment proposal analyses, and the effects of various protection measures.

In an ideal situation, counterpart arrangements are very effective in transferring technical and professional skills to staff. In the Papua New Guinea context it remains evident that individuals who gain superior skills rapidly advance to other positions. It is important that the likelihood of such staff movement be accepted and that the on-the-job training efforts of Technical Advisors be directed to an appropriate broad base of personnel, taking into account also the need for these people to be prepared themselves for passing on their skills to an equally broad based personnel complement.

It should be noted also that on-the-job training continues with the strategic allocation of Technical Advisors and contract personnel to various functional areas - a practice which continues to support the activities of these areas and contribute to the general improvement of staff capabilities.

Further on-the-job and in-house training continues in relation to computer skills.

- (c) The proposed ten-month induction programme remains as a proposal although, with the need to recruit as a result of staff attrition and increased staff ceilings, opportunities exist for the co-ordination of new entrant intakes and insistence on such training.
- (d) Individual developmental assignments are being programmed by Technical Advisors within functional areas, however this remains largely ad-hoc. With the involvement of SMC members as a group, in decisions on

allocation and advancement of staff, further attention to the provision of opportunities for developmental assignments can be given.

- (e) Reports on the results of external training programmes are insisted upon by the Staff Development Unit and this has resulted in useful reports being prepared by four members of staff during the second quarter of 1992. Further work needs to be done to ensure that the results of this training are incorporated into the both the activities of the organisation and decision making in respect to individuals attending.

Factors facilitating or impeding project output: One of the Central Agencies apparently gained the impression, from the Organisation and Manpower Development Project Report, that Technical Advisors were able to provide only limited training support and were therefore not needed. This is far from the truth. Emphasis on the appropriate use of Technical Advisors will need to continue, in the immediate foreseeable future, along with increased emphasis on the training roles of all supervisory staff.

The need to recruit a qualified staff development officer remains acute. This vacancy has impeded the results achievable during the project, however it now appears likely that an appropriate appointment will be made in early July.

7. Recruitment and Staffing Reviews

Goals: To implement an objective basis for the recruitment, retention and advancement of staff so that the organisation can be assured that its staff at all levels formally satisfy the requirements of their positions.

- (a) Establishing agreed selection criteria, including the results of formal tests of knowledge and skills, for all positions.
- (b) Conducting selection workshops before any selection of new entrants to the

Department or permanent appointment of existing staff.

Results: As a result of Executive insistence on this goal in relation to all positions, it is being rapidly introduced and the effects are expected to be experienced during the remainder of 1992 and thereafter. The recent selection of a Deputy Secretary was based on an exhaustive examination of 14 candidates by a panel five, using carefully developed position criteria. The same procedure is being applied to a variety of positions in each division at present.

Selection workshops for base-level new entrants will be introduced during the remainder of the year.

In the past staff have not seen the direct correlation of education, experience, professional skills and performance recognition to appointment decisions. This correlation, is rapidly becoming apparent and individual staff members are making career decisions accordingly.

Factors facilitating or impeding project output: A major limitation to progress in this area has been the un-availability of sufficient staff to maintain the personnel function. This activity has been handled by two officers, one of whom also had other administrative responsibilities and has now taken maternity leave.

8. Career Planning and Counselling

Goal: To provide all staff with a clear definition of their roles and objectives, by means of agreed position information in ongoing staff appraisal systems, and to clearly establish for staff the steps needed to further develop their skills and knowledge to meet the requirements of their current positions and future positions within the organisation.

- (a) Making selection and advancement criteria available to staff so that they can identify action needed to meet them.
- (b) Using the criteria as goals for staff and the organisation in planning career steps.
- (c) Linking appraisal reporting deadlines to six monthly intervals from the date of commencement.
- (d) Ensuring that supervisory staff and Staff Development Unit personnel discuss criteria, in conjunction with staff appraisal reports, to assist staff with the information they need to make career decisions.
- (e) Making decisions on deployment and advancement of individual staff members only when an appraisal report is available for each six month period of their employment (commencing from March 1991).

Results: As a result of the Department's work plans individual staff members have a clearer understanding of their roles, although the need for further refinement of individual plans and clearer linkages to the appraisal system is evident in some areas.

- (a) The availability of selection and promotion criteria is currently limited but, following its use by the SMC in current promotion/ appointment decisions, will be more widely understood.
- (b) The use of appraisal reports and selection criteria in appointment decisions is being encouraged although this will need to be reinforced by insistence on the use of them.
- (c) Staff appraisal, linked to commencement date anniversaries, has been progressively implemented however there remains an urgent need to compile results and input these into readily accessible data-banks.
- (d) Efforts have already been commenced by the Staff Development Unit to counsel staff on career steps in relation to Departmental requirements. The spread of information as per (a) will give additional direction to such counselling.

Factors facilitating or impeding project output: There remains a need to establish and maintain an effective staff development unit. The existing structure includes only two staff members. One position has been placed with the File Registry and the other is still to be filled. Funding is available for one contract officer and this position also is yet to be filled.

Further refinement of the appraisal report is required to more clearly assess efforts and ability to meet performance objectives.

9. Personnel Information System

Goal: To develop a comprehensive information file on the Department's personnel by which work assignments, performance evaluation and career development plans can be effectively prepared.

Results: Efforts were made to have a user friendly computer data base in operation by 31 March 1992. These were not successful but, with the support of the Information and Planning Branch, further efforts are being attempted

Factors facilitating or impeding project output: The full introduction of the personnel information system has yet to be achieved. It appears that the scope of this project has not been fully appreciated and as a result relevant staff do not have access to the necessary information or, as a matter of routine, enter and update computer based personnel information.

It now appears that computer software consultancy support is necessary to implement this programme. Training of relevant staff, including all members of the SMC and their secretarial support staff, will also be necessary.

10. Performance Recognition Programme

Goal: To provide a system where staff meeting organisational requirements can expect their efforts and abilities to be recognised and where the organisation can encourage and motivate its personnel resources towards the achievement of its objectives.

- (a) Providing staff with opportunities to contribute to the achievement of the Action Plan, work plans and position responsibilities.
- (b) Providing opportunities for staff to formally satisfy criteria for their current and future positions.
- (c) Formally acknowledging individual contributions and performance.

Results: The organisation's implementation of staff recognition is beginning to be evident in decisions taken on deployment of personnel and awarding study opportunities. It is also beginning to be noted in respect to attendance and performance standards. It is still however only in its early stages and will require a firm, on-going commitment on the part of management if it is to become effective.

Factors facilitating or impeding project output: As with other organisations there is a very distinct tendency for line supervisors to avoid the responsibilities involved in supervising their staff. Management is aware of this but needs to take a more direct interest in it. It remains blatantly obvious that individual supervisors are not prepared to enforce instructions or acknowledge achievements.

B. Achievement of the immediate objective

The Department has indicated that it is satisfied that the project has achieved its immediate objectives, and has informed UNDP and UNIDO of this. The prime aim of the consultant in accepting this task was to assist in establishing procedures and practices which would be appropriate for the organisation and be likely to remain in place into the future. This has been largely achieved and, with commitment of management, should achieve its full benefits.

C. Contribution to the achievement of the development objective

The Organisation and Manpower Development project was a part of the total institutional development project. The project has been involved with a Department which is itself committed to developing effectively and which has been therefore prepared to maximise its use of the opportunity provided by the project. It is relatively simple to list individual achievements, particularly where these relate to procedures, courses attended, equipment introduced and legislation developed.

The main development objective of the project is promotion of economic growth and employment. Achievements in this regard are occurring. They may not be readily identifiable in economic indicators in the short term, but the long term effects of a better prepared organisation will become evident as industrial development projects come on-line and as individual business enterprises continue to establish.

IV. CONCLUSIONS

This report follows the terminal report of the UNIDO team, which expressed the view that "the original project design was overly ambitious considering PNG's general stage of development; that counterpart arrangements should have been given more attention at the outset of the project; that the establishment of several new agencies may have spread scarce human resources too thinly within the Ministry of Trade and Industry...."³

This consultant is of the view that the actual achievements of the UNIDO project are far greater than that report indicated. The ambitious nature of the project was in itself very relevant to the actual achievements. The presence of the UNIDO team has had effects which will have long lasting benefits to the Department and individuals in it, including those who move to other organisations. It remains true that the Ministry does have scarce human resources, although this fact is being addressed by the Government. Individual UNIDO team members, and in particular the CTA, made personal contributions to the development of staff which will have lasting effects on the general performance of those staff.

Likewise the Organisation and Manpower Development project can already be seen to be producing positive results. Largely due to the efforts of the organisation itself, there is greater recognition of the capacities of individuals within the organisation and a better appreciation of what action is needed to improve these. In addition there is a far better appreciation of areas in which contract personnel or Technical Advisors will be needed in the future, and how these individuals will operate in relation to staff development requirements.

³ Institution Building for Industrial Promotion, DP/PNG/86/002, Terminal Report, UNDP/UNIDO, April 1992.

V. RECOMMENDATIONS

The Department's involvement in (and acceptance of) the consultant's original report has been remarkable, given the deficiencies identified and work recommended. There remains a need to periodically review the report to evaluate on-going progress in relation to it. This could be achieved by requiring both Staff Development Unit and Information and Planning staff to report regularly on implementation progress.

The need to recruit staff to replace those leaving and/or cover new functions should be carefully coordinated, preferably allowing for groups of new entrants to be selected at one time in order to facilitate group training efforts. Selection workshops would appear to be the most appropriate process through which such appointments can be made. It would be useful also, in an effort to encourage interest in the Department as a meaningful career opportunity, to offer casual employment to university students from UPNG and UNITECH. This offer could be usefully extended to students in relevant courses at both PAC and the Divine Word Institute.

The staffing of the Staff Development function is in train. At present the unit is placed within the Finance and Administration Branch although it answers directly to the Secretary, Deputy Secretary and First Assistant Secretary Management and Planning. Many public service studies have recommended that the staff development function should be seen as distinct from financial and administrative functions. It would be appropriate to have this function formally answer directly to the First Assistant Secretary, Management and Planning.

Greater involvement of Papua New Guineans in their own economy, the creation of employment and income generating opportunities for people throughout the country and the necessary linkage with processing natural resources are obvious concerns of Government and the international community. The Department should continue to strengthen its capacity to address these issues by ensuring it follows the directions being

set for or by it. It should continue also to look to the support of Government, its Central Agencies, the business community and international organisations. This support should continue to include emphasis on manpower development and technical support.

