

March 11, 1957

TO: Dr. Wesley R. Fishel, Chief Advisor

FROM: Dr. Frederic R. Wickert *JRW*

SUBJECT: Briefing Summary of Civil Administration Assistance Project,
now renamed In-service Training Project (030-79-119)

Introduction. The Vietnamese Government, ICA/Saigon, and MSU have agreed that it is important to undertake this project. Much progress has already been made. The project is primarily to be funded in FY 58. It is essential, however, in the last month or two of FY 57 to have one or two people to lay the groundwork for the others who follow. A summary of the project follows.

Achievements to date. The most significant achievements in the project to date are (1) the establishment of an in-service training division as one of the three main programs of the National Institute of Administration, and (2) the creation of a functioning Inter-departmental (Inter-Ministerial) Council on In-Service Training. The establishment of these organizations represents a successful effort to explain to the Government the concept of in-service training and the benefits which may be expected from it in terms of more efficient and economical administration.

In-service training courses have been organized and carried out, under this program, in such diverse areas as records management, land surveying, typing, tax collection, governmental accounting, budgeting, and stenography. Actually, however, no real dent has been made in the tremendous backlog of training needs that exists.

One part-time specialist (Dr. Wickert) assisted for four months by one general consultant (Mr. Hausrath), have been responsible for organizing this program. The services of one full-time technician (Mrs. Lindholm) and one two-month consultant (Dr. Maxwell) have been provided to meet in-service training needs in the area of records management, stenography, and typing. Occasionally other specialists have from time to time been utilized to help meet other specific needs, e.g., Mr. Murphy in budget administration. All too often, the Government had to go ahead without American assistance, e.g., in governmental accounting, where the basic materials for training were based on the Statutes of 1912, in turn based on even-then outmoded French accounting practices.

Proposed Government Program for In-Service Training for 1957. The most recent action of the Council on In-Service Training and its official sub-committees was to draft a decree, not yet signed by the President, which stipulates that a training section be set-up in each department (Ministry), independent agency, and province. This training section, with the guidance of the agency's advisory council on in-service training, would establish whatever training program was needed in the agency. The National Institute of Administration would continue to serve as a secretariat, providing professional leadership, a central library service for the agencies, and a program for training training directors and trainers. In addition, one of the sub-committees of the Council drew up a specific plan for publicizing in-service training among fonctionnaires so that training would be more acceptable to them when they were introduced to it.

In the meantime there have been a series of administrative snags. The Council of the National Institute decided that the subcommittees were not competent to make recommendations for the In-Service Training Council as a whole. Hence all recommendations for the In-Service Training Council were referred directly back to the agencies for comment and reactions. Thirteen of the fifteen have now replied. All thirteen of these are in practically complete agreement, although three suggested minor modifications. All this has shown that basically the need for training is keenly felt and the proposed solution is generally acceptable throughout the Government. It looks as though the program will get started sometime in the next six months or so. One serious problem, not to be minimized however, is the stand of the Government Budget Office. This Office is convinced that it cannot find funds to finance the Government's contribution. Whether or not this obstacle can be overcome is not yet known. One suggested solution has been to require each agency to finance the training program out of its present budget.

Proposal for Specific Project Assistance to In-Service Training. If the Government plans concerning in-service training materialize, as they give considerable promise of doing, the need for project assistance will become acute. There is remarkably little know-how in the Government regarding in-service training despite the fact that the Government officials concerned are unanimous in recognizing that they probably cannot put across a successful program without American technical help.

The Government would contribute the following, and its contribution would be impressive. It would contribute the time and effort of the officials on the In-Service Training Council, the members of the National Institute who would devote themselves to the program (part-time of the head of the Institute and his assistants, full-time of five Institute professional men plus secretaries, assistants, and personnel in support services), the many training officials and their superiors in the agencies and the provinces along with their secretaries, assistants, and support services (estimated at eventually

75 full-time training directors and trainers alone—Australia with a similar program and a smaller population and government has about 84), the many part-time trainers who are specialists in their departments, and the thousands of potential trainees (there are about 60,000 National Government employees and an additional 40,000 to 60,000 local administrators, but far from all these could be trained in the immediate future). The Government would also pay travel and per diem costs of sending trainers and trainees to designated training locations. The Government has also expressed its expectation of providing all equipment and supplies, as well as class and office space. A cost summary of the Vietnamese Government's contribution is appended.

U.S. Support for this Project. We recommend the following support. As has been found true in Thailand and the Philippines in similar programs, the Government will probably find it difficult or impossible to provide funds to purchase certain training aids and equipment which have to be imported. U.S. aid would be needed for this. Temporarily, space for in-service training activities is simply not available in the cramped quarters of the present National Institute but will become available in the new Institute building to be provided through U.S. aid (project no. 030-77-080). For this reason, U.S. aid to provide temporary space for NIA in-service training activities is essential. In Central Vietnam, where war-time destruction of buildings was especially severe, limited U.S. plaster assistance for the construction of provincial training premises would be required. Aside from these needs, the Government, in our opinion, can furnish space for all the other in-service training activities.

Aside from equipment and buildings, there is the necessity for U.S. support for participants to learn in-service training in the U.S. and third countries, as well as for more American professionals in in-service training. Since the Government plans in-service training for three main groups of employees: executives and supervisors, specialists, and office workers, an American advisor to help organize each of these three kinds of training is necessary. Since much training is to be widely scattered throughout the provinces, American training specialists to assist and follow-up on provincial training is also essential. Vietnamese assistants for these Americans would also be needed, as well as would be costs of travel of both Americans and their Vietnamese assistants within Vietnam. Several consultants in specific areas of in-service training would be necessary for specialized problems from time to time. See appended cost summary of the U.S. contribution.

Value of In-Service Training. It is the common experience that well-conducted training programs pay their costs many times over. In the U.S. the experience of the New York City Civil Service Commission revealed savings of \$25 million per year for an investment of \$1 million spread over several years. In the case of Vietnam, the U.S. would be providing but a small fraction of the cost of the training.

In the Philippines it is generally conceded that USOM's most successful achievement in the field of public administration has been in in-service training of Government employees.

Dr. Wickert, who has been closest to the problem here in Vietnam, estimates that a respectable increase in savings through increased efficiency of personnel can be achieved in Vietnam. In fact, if Government officials do not increase their efficiency, it is felt by many Vietnamese that their Government may not survive at all. Less dramatically it can be said that without the in-service training program the Government will continue to limp along on the present chaotic system left over by the French.

USOM may well contrast the millions spent by the U.S. on the training of military personnel in Vietnam with the modest demands made here for support of the training of equally essential civilian personnel of the Government. In addition, the effectiveness of all USOM programs should to some degree be enhanced by increased efficiency on the part of the government officials through whom these programs must operate. Moreover, certain Vietnamese Government personnel already see that the methods used for governmental in-service training are equally applicable and needed in industry. They see this program, with its emphasis on preparation of in-service training manuals in Vietnamese and its training of Vietnamese personnel to do in-service training, as an essential ingredient in the success of their Five Year Plan for the economic development of their country.

MSU Plans for In-Service Training Without Specific Project Assistance. Without this Project, we can plan only to provide spot help to departments with emergency training problems. We plan to concentrate especially on budgetary training of higher officials, training of tax collectors in co-operation with USOM/Saigon, and retraining of government typists and perhaps training in other office skills. This approach, however, is peripheral. Main emphasis should be put on the training of Vietnamese to become training directors and trainers so that they can then organize and conduct their own training programs. We may be able to train one class of training directors and trainers this year if the Government approves the program. This would be important, but it would be but a beginning in this direction. There could be little follow-up and individual help for the new training directors trying to get started on a difficult job. The few months of formal training we could give them would not in itself be enough. Also, the badly-needed emergency training programs mentioned above would have to be curtailed or temporarily dropped to get the training officials trained.

In summary, the Government is probably going to support a well-planned in-service training program for all levels of Government civilian personnel. With a limited amount of U.S. support to get this program off to a good start, the long-term dividends could be tremendous.

Additional funding problems. As this project proposal has gone through various stages of what might be called administrative development, certain necessary funding aspects of the basic project have gradually dropped out.

The following paragraph summarizes the items that really ought to be put back into the project if the project is to be a well-rounded one that has a chance of succeeding.

In the first place, the way the cost summary now seems to work out, there would not be enough money to buy project commodities with U.S. dollars. Next, there is too little counterpart to pay necessary salaries for interpreters and translators, for the office equipment and supplies of these Vietnamese and the Americans, for the support of the Americans while they are in Vietnam, including transportation within Vietnam, and for the publication costs of manuals and the like. Perhaps the assumption has been that these costs will have to come out of the MSU general project, but it is likely that the MSU general project has not been increased to take care of this. It would seem more logical to add these costs to this project. Only then will there be sufficient funds to cover these additional items. It is also possible that the dollars for contract services may not be enough for the five specialists, the one secretary, and the four three-month consultants (or three four-month consultants) earlier requested and apparently at one time more or less approved. (Five specialists and one secretary come to \$90,000. Add \$27,000 for the four consultants. The sum of these two figures is \$117,000, \$12,000 more than the \$105,000 now recommended. See item C on the cost summary page appended.

FRW/mw

Cost Summary - Vietnamese Government Contribution
(Source: Vietnamese Government Budget)

FY 1958

a. Project commodities	204,000 VN\$
b. Space for Central Office and attendant changes	120,000 VN\$
c. Time of Central Office professionals and their assistants	2,400,000 VN\$
d. Time of advisory board officials and higher executives	
e. Time of 75 training directors and trainers	13,500,000 VN\$
f. Administrative support, including class and office space	30,000,000 VN\$
g. Transportation of trainers, publication, and similar extra costs	4,000,000 VN\$
h. Part-time of 1,000 fonctionnaires in training (number would be greatly increased in future years)	24,000,000 VN\$
i. Travel and per diem costs of trainees	14,000,000 VN\$
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	88,224,000 VN\$

U.S. Dollar equivalent at 35 VN\$ to \$1 U.S. \$2,520,000

Cost Summary - USOM Contribution

1. FY 1957

2 U.S. Technicians (for last one or
two months of the fiscal year) \$30,000

2. FY 1958

a. Project commodities, training aids, chart-making facilities	\$ 1,000 U.S. \$ 10,000 U.S. counter- part
b. Building rental and/or renovation	\$ 25,000 U.S. counter- part
c. U.S. personnel (7) (all contract services), including consultants as needed and one secretary	\$105,000 U.S.
d. Participants	
8 - 6-months in the U.S.)	\$ 54,000 U.S.
2 - 1 year in the U.S.)	
24 - Third country	\$ 25,000 U.S.
e. Total for FY 58	
U.S. dollars	\$220,000
Counterpart expressed as U.S. dollars	<u>35,000</u>
<u>Grand Total</u>	<u>\$255,000</u>