Productivity Matters

The latest productivity and competitiveness news, views and announcements

In This Issue

NCPC and Compete Caribbean Tackle Private Sector Development and Economic Growth

Saint Lucia's National Export Strategy 2017-2020

Reforming the Financial Ecosystem and Business Environment in Saint Lucia

National Competitiveness and Productivity Council
p. 758-468-1587/2591/2592
e. stlucianpc@gmail.com
4th Floor, Finance Administrative Centre, Pointe Seraphine, Castries, Saint Lucia
w. stlucianpc.org
The NCPC Mandate
The National Competitiveness and Productivity Council (NCPC) was established with the aim of identifying the key issues related to competitiveness and productivity in St. Lucia as well as providing timely and effective recommendations to policy makers, the private sector and other stakeholders.

The NCPC Work Programme is structured around its mandate which consists of five (5) major areas.

Set S.M.A.R.T. Goals and Supercharge Your Productivity

A New Year is the ideal moment to reflect on the past twelve (12) months and get a head start on planning for the year ahead.

Admittedly, this is a process that many of us go through year after year and more often than not, halfway through the first three months of the year, we feel that the goals we have set are insurmountable.

It’s time for a new way of thinking! If you aren’t already doing so in making plans for 2018, try to create goals which are Specific, Measurable, Attainable, Realistic and Timely. (S.M.A.R.T.)

Using the S.M.A.R.T. method will ensure that your goals are not only more attainable but also actionable.
Dr. Spencer Johnson’s 92-page novel, ‘Who Moved My Cheese’ chronicles the story of four characters who learn how to deal with change in their own way.

The story helps us understand how to anticipate, recognize and accept change as a part of life and not something to be feared. Some key takeaways from ‘Who Moved My Cheese?’ are:

• Change Happens
• Anticipate Change
• Monitor Change
• Adapt To Change Quickly

From the moment we are born we are confronted with changes; from being a new-born and relying solely on our parents for our basic needs, to eventually becoming teenagers and young adults and having to make our own decisions and ‘brave the world’ on our own.

Some of these changes are expected but many are unanticipated. For some, life’s changes are seen as opportunities and met with open arms, while for others, the very mention of change is daunting.

The 4 Protagonists
Which one are you??

Sniff
- sniffs/looks ahead; anticipates change

Scurry
- scurries ahead and bumps into change

Hem
“To discuss, deliberate, or contemplate rather than taking action or making up one’s mind. (e.g., If you hem and haw long enough, someone else will do it first.)” - Wiktionary

Haw

“Productivity Book Highlight

• Have you ever been paralysed by thoughts of the future?
• Does the uncertainty of life and its constant changes ever leave you feeling anxious?
• How happy would you be if every single part of your professional and/or personal life remained the same forever?
• Do you constantly worry and complain about change or do you anticipate it and plan how to deal with it?
• How many times have you been so content in your comfort zone that you have missed out on the magic zone where bigger opportunities reside?”
NCPC Productivity Tool Set To Revolutionise Firm Productivity

There is a very strong link between productivity improvements and increased profitability. Understanding productivity and its impact on output and profits is key to ensuring that businesses continue to thrive. Measuring productivity allows businesses to understand where deficiencies exist with a view to making the necessary adjustments which will help them to achieve maximum output with less inputs.

Based on findings of years of productivity studies, consultations and stakeholder engagements which revealed productivity gaps particularly within the private sector, the NCPC saw the need to develop an interactive productivity assessment tool coined 'ProTool.'

The tool, which is currently in prototype phase, attempts to assess a company’s productivity level by analysing key quantitative and qualitative indicators and providing feedback on organizational strengths and weaknesses while providing targeted recommendations for the improvement of the company’s productivity level.

The metrics obtained from implementing the tool are business specific and will allow firms to see first-hand just how productive they are and what changes or adjustments would be required in order to improve their efficiency and productivity. The tool is designed in accordance with international best practices.

In July 2017, representatives of the Manufacturing Sector had the opportunity to participate in the pilot testing of the NCPC’s ProTool.

Based on the recommendations from the pilot exercise the NCPC has secured funding from the Compete Caribbean Partnership Facility under Phase II of their programme to enhance and eventually launch ProTool.
Productivity Awareness Week (PAW) 2017

Over the past few years, through its work programme, the NCPC has strived to maintain an environment where there is a greater consciousness and sensitivity towards productivity with a view towards promoting sustainable economic growth and improving the competitiveness and performance of the local economy.

To this end, besides providing technical assistance and undertaking research in the area of productivity, a critical part of the NCPCs work is centered around facilitating public-private dialogue/consultations on issues related to productivity and competitiveness as well as providing recommendations to the Government and other key stakeholders for the implementation of strategies and policies which seek to enhance productivity and competitiveness locally.

Given the critical role of skills development in enhancing worker productivity, and in line with the NCPCs mandate to engage the private and public sectors in the acquisition of new competences through the provision of technical assistance and capacity building, PAW 2017 was observed from October 16th- 20th, 2017, under the theme, Empowering Human Resources for Greater Productivity.

Roughly 110 public servants from various Ministries and departments benefited from three days of training sessions on the following topics:

- Emotional Intelligence for Greater Productivity
- Building A Highly Engaged/Empowered Workforce through Effective Delegation
- Motivation
NCPC and Compete Caribbean Tackle Private Sector Development and Economic Growth

As Caribbean governments continue to grapple with the challenge of high debt, declining revenue and overall low growth, the need for building greater economic resilience and improving competitiveness is increasingly evident. In finding long-term and sustainable solutions to these challenges, governments are now realising that creating an enabling environment which favours businesses is key to achieving balanced and inclusive growth.

In this light, over the past decade, there have been intensified efforts to support the development of partnerships with organizations which support private sector development and are keen on helping to build the environment where firms can thrive.

The Compete Caribbean Partnership Facility (CCPF), a regional private sector development programme, is one such organization, which recognises the opportunities which exist within the regional private sector, and continues to work with countries on projects which are aimed at increasing productivity, fostering innovation and improving competitiveness.
Phase II Compete Caribbean Projects for Saint Lucia to focus on Competitiveness and Business Reforms

The first phase of the Compete Caribbean Programme (CCPI) was lauded a major success. Through this private sector development initiative, which consisted of over 100 technical assistance projects across the Caribbean region, there was a marked improvement in the overall business climate, competitiveness and productivity in various sectors.

Drawing on the successes CCPI, the Inter-American Development gave approval for the implementation of a second phase. The Compete Caribbean Partnership Facility (CCPF) Phase II is scheduled to be implemented across the Caribbean over the period 2017-2020. Phase II will focus on two strategic pillars: Productivity and Innovation in Firms and Enhancing the Business and Innovation Climate. The intent is to create an environment that stimulates innovation, whereby firms are given the necessary support to maximize their growth and innovate as well as gain access new markets.

A call was extended to Saint Lucian firms and clusters to submit proposals during the joint dialogue, ‘Stimulating Private Sector Development and Economic Growth’ which was held in Saint Lucia in July 2017. The response was very encouraging with some very promising project proposals being submitted from various sectors.

At the end of 2017 Compete Caribbean approved the Development and Implementation of a Competitiveness agenda and Doing Business Reforms for Saint Lucia. Compete Caribbean will be providing roughly US$400,000.00 to assist with project implementation in Saint Lucia.

NCPC and Compete Caribbean Tackle Private Sector Development and Economic Growth

In an effort to support the region in increasing productivity levels and determining what policies and regulations could drive the region’s economic growth, in July 2017, Compete Caribbean and the National Competitiveness and Productivity Council of Saint Lucia (NCPC) collaborated to host a dialogue entitled ‘Stimulating Private Sector Development and Economic Growth’ at the Finance Administrative Centre in Saint Lucia.

The forum provided a platform for stakeholders from private and public sector, civil society and academia to discuss national private sector development priorities within the context of technological change and innovation. Many of the day’s presentations focused on the sharing of best practices and examples of how innovation could be used to stimulate development and growth.

The dialogue officially kick-started Phase II of the CCPF Programme which focuses on Enhancing the Business and Innovation Climate.
NCPC and Celestial Self Development Centre Partner on Capacity Building Exercises to Enhance Productivity

The NCPC has identified capacity building as critical component to improving employee productivity and ultimately the quality of service delivery and the output in both the public and private sectors. Similarly it was agreed that investing in the training and development of employees would be key in achieving the mindset change necessary to advance the productivity and competitiveness agenda locally and ultimately encourage sustainable economic growth.

Consequently, when the NCPC was approached by the team from Celestial Self Development Centre team, the Eastern Caribbean Franchisee for Franklin Covey, to partner to offer the critically acclaimed 5 Choices to Extraordinary Productivity Workshop in Saint Lucia, the decision was simple.

On Wednesday, November 29, 2017, the one-day workshop 5 Choices to Extraordinary Productivity was held at the Bay Gardens Hotel in Rodney Bay. Nine (9) participants from the public and private sectors, of which three (3) were from the Department of Finance, were in attendance.

The 5 Choices to Extraordinary Productivity, one of the many solutions offered by Franklin Covey, is aimed at empowering individuals by allowing them to “be more selective, and make high-impact choices about how and where they choose to invest their time, attention and energy.”

During the workshop which was held in support of the NCPC’s PAW 2017 participants were taught how to apply the 5 Choices philosophy to their lives for greater productivity:

• Choice 1: Act on the Important; Don’t React to the Urgent
• Choice 2: Go For Extraordinary; Don’t Settle for Ordinary
• Choice 3: Schedule the Big Rocks, Don’t Sort Gravel
• Choice 4: Rule Your Technology; Don’t Let it Rule You
• Choice 5: Fuel Your Fire, Don’t Burn Out

Throughout the day, participants had an opportunity to define what extraordinary productivity meant to them, while engaging in lively discussions and exercises and sharing experiences and best practices. The day ended with each participant sharing how they planned to use the newly acquired knowledge in their professional and personal lives.
What is Competitiveness? Why is it important?

The World Economic Forum’s (WEF) Global Competitiveness Report, defines competitiveness as a ‘the set of institutions, policies and factors that determine the level of productivity of a country.’

Similarly, the Organisation for Economic Co-operation and Development (OECD) describes competitiveness as ‘the degree to which a nation can, under free trade and fair market conditions, produce goods and services which meet the test of international markets, while simultaneously maintaining and expanding the real income of its people over the long-term.’

Here’s why Competitiveness matters, according to the WEF:

1. Competitiveness looks at the ability of a country to productively use its available resources to continuously improve the standard of living and wellbeing of its people;
2. A more productive country offers greater return on investment;
3. Competitiveness implies economic stability and resilience.

Recommending solutions to enhance the country's competitiveness is a core part of the NCPC’s mandate. As a result, the NCPC closely follows the pillars of Competitiveness as set out by the WEF’s Global Competitiveness Index (GCI).

12 Pillars of Competitiveness

The GCI classifies the competitiveness of countries according to 12 pillars which are further subdivided into three groups namely basic requirements, efficiency enhancers and innovation and sophistication factors.

Generally, countries that are able to score high in the innovation & sophistication pillars have very advanced economies and a high GDP.
Reforming the Financial Ecosystem and the Business Environment in Saint Lucia

The 8th Pillar of the World Economic Forum’s Global Competitiveness Index; Financial market development, examines the efficiency, stability and trustworthiness of the financial and banking systems as a key driver for growth and competitiveness globally.

As Saint Lucia seeks to increase its global competitiveness, there is a renewed focus on the transformation of the financial infrastructure. Thanks to technical assistance and support from the World Bank Group/International Finance Corporation (WBG/IFC), the Government of Saint Lucia is currently in the process of modernizing the financial regulatory environment through the review and implementation of Secured Transactions and Insolvency legislation. Once enacted, this legislation will significantly improve the access to finance for local businesses and ultimately bolster the business environment.

Traditionally, only immovable assets e.g. houses and land/real estate were accepted as collateral for loans. The Security Interests in Movable Property Bill (Secure Transactions) when introduced, will allow firms to leverage movable assets; e.g. accounts receivables, equipment, furniture, appliances, inventory, crops vehicles etc. as collateral to secure loans from lending institutions. An online collateral registry will be established to keep a record of the security interests of movable assets being used by debtors.

According to the latest WBG Doing Business Report, Saint Lucia currently ranks 127 out of 190 countries with regards to Resolving Insolvency. In addition, a diagnostic report on Insolvency produced but the WBG in 2014 highlighted the need for well-defined insolvency laws in Saint Lucia.

The Department of Finance, through the National Competitiveness and Productivity Council, was recently called upon to spearhead the implementation a new insolvency framework in Saint Lucia.

This new framework will completely modernize the way in which bankruptcy is handled and drastically reduce the time frame for resolving insolvency. The Insolvency Bill will not only benefit firms filing for bankruptcy but will also make allowances for the employees of these organization.
Saint Lucia's National Export Strategy (NES) 2018-2022

In 2004, Saint Lucia set out to improve its competitiveness and the export potential of goods and services through the development of the first National Export Strategy (NES). This strategy, which covered the period 2005-2009, sought to not only cultivate an environment which would favour the development of trade but similarly sought to address challenges facing the Saint Lucian export sector whilst identifying critical priority areas which had the capacity to boost the local economy. At the end of this process, the Trade Export Promotion Agency (TEPA) emerged.

The Government of Saint Lucia through the Trade Export Promotion Agency (TEPA) has secured and received assistance from the International Trade Centre (ITC) for the preparation of a new National Export Strategy (NES) and Implementation Plan (2018-2022.) The strategic objective of the project is (1) Strengthened integration of the business sector into the global economy through enhanced support to policymakers and (2) Increased capacity of trade support institutions to support businesses in St. Lucia.

The approach to preparing the strategy involved full participation of both public and private sectors and other relevant social partners.

This was achieved by building the capacity of public and private institutions to jointly develop, a dynamic export development action plan that evolves with economic changes and country priorities. The plan provided a roadmap of activities to address St. Lucia’s main supply-side, business environment and market entry constraints while building on existing opportunities.

A national Core Committee comprising relevant stakeholders from the public and private sector was formed to oversee advice and direct the NES team in formulation of this strategy. The core committee was co-chaired by the representative of the Saint Lucia Manufacturers Association (SMA) and representative from the Saint Lucia Coalition of Service Industries (SLCSI).

Additionally a national Consultative Team was also formed to provide counterpart technical support to the ITC Consultants. The team comprised representatives/officials from Government departments, all of whom underwent capacity building training from the ITC.
The two (2) member technical team from the ITC visited St. Lucia on three different occasions in 2017 to commence work on the strategy, engage all stakeholders at a two-day consultation and build the capacity within TEPA and other key stakeholders on developing the National Export Development Strategy (NEDS).

During the last country visit and consultations, the ITC team together with contracted industry expert officials visited from Geneva, was on hand to provide technical support and advisory services in order to help strengthen TEPA’s capacity and to ensure the successful ratification of the new NES. Two-day workshops/brainstorming sessions were held for each of the nine (9) priority and cross cutting sectors (ICT, Creative Industries, Tourism, Food & Beverage, Education & Skills Development, Trade Facilitation, Innovation, Renewable Energy and Access to Finance) which would reposition Saint Lucia’s economy to be more competitive and achieve greater economic growth. At the sessions, participants deliberated on the strengths, weaknesses, opportunities and challenges of each priority before proceeding to draft an action plan.

Staff from the NCPC Secretariat were part of these sector discussions which included members of the business community, civil society, the public sector, academia and the private sector.

The information garnered during these sessions was collated and analysed by the ITC Team who proceeded to formulate Sector Strategy documents which will inform the eventual 2018-2022 NES document. The sector strategy documents are currently being reviewed by the various stakeholders after which the document will be sent to Cabinet for ratification/approval before eventual implementation.
Second Growth and Resilience Dialogue for Social Partners Set for February 2018

In March 2017, the ECCU countries converged on St. Kitts and Nevis for the Inaugural ECCU Growth Dialogue. The forum which was held under the theme, “Working Together to Achieve Higher and More Inclusive Growth in the ECCU” afforded Social Partners the opportunity to directly engage the Monetary Council of the ECCB and other key development partners (namely OECS, World Bank, CDB) on the issue of economic growth and development, by identifying key challenges which they presently face and pinpointing opportunities which should be prioritized as part of the Growth Action Plan.

Later that year, in September, the Dialogue on the ECCU Growth Action Plan, was held in Saint Lucia as a follow-up to the ECCU Growth Dialogue. This consultation, the first of a series held across the ECCU during the month of September, brought together a network of officials and policymakers from the ECCU, the OECS Commission, the Department of Finance, youth leaders and activists, private and public sector representatives, civil society organization representatives and religious bodies to name a few, to get buy-in and commitment to the implementation of the Growth Action Plan.

Plans are currently underway for the hosting of the second Growth and Resilience Dialogue on February 15th. This dialogue will be held under the theme ‘Working Together to Raise Growth and Build Resilience in the ECCU.’
Meet The Team

FIONA HINKSON
Executive Director

SHARMA MATHURIN
Economist

TALUAH GIRARD
Communications Specialist

MARINA SURAJ
Executive Assistant