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**YOUR FINANCIAL NEWS**



# DEVELOPING A COMPETITIVE WORKFORCE

The pursuit of economic growth and development is dependent on the education and advancement of our youth and workforce development. The demand for a skilled and knowledgeable workforce will continue to be the determinant of our global competitiveness, future prosperity and our ability to be and remain relevant.

- How then do we connect education reforms to economic development?
- How do we ensure that the business community become more engaged partners in education and skills training?
- How do we ensure that education policies, programs and workforce training systems are geared at closing the gaps between the skills that employers need and the qualifications of today's job applicants?
- How can the Caribbean education system adapt to meet the needs of the new digital economy and drive the long term competitiveness of the Caribbean economies?
- How do we challenge the status quo and devise a new education model that is demand and development driven?

The foregoing extract summarises the perspective articulated by Sarah Owen, Head, the UWI Open Campus, St. Kitts Nevis during a discussion on the topic.

**L**et us start with the definition of education which is wide and varied throughout history:

In Latin, 'educere' from which the word education is derived means 'to lead forth'.

According to Plato, the Greek philosopher and mathematician, "*education develops in the body and soul of the pupil all the beauty and all the perfection he is capable of*".

John Dewey (1859-1952) a highly respected American philosopher, psychologist, and educational reformer noted "*I believe that education, therefore, is a process of living and not a preparation for future living. Education is the process of living through a continuous reconstruction of experiences. It is the development of all those capacities in the individual which will enable him to control and fulfill his possibilities.*"

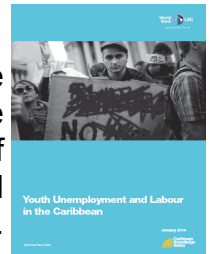
Definitions of education are varied and to a large extent rely on definitions of success in life. For the idealist, the aim of life is

spiritual development; for the pragmatists, success in life is a process of social development.

The aims of education are equally varied: technical and vocational, spiritual, formal, informal, etc.

In order for change to occur and education systems to continue to evolve, we must acknowledge that we are all engaged in the process of education.

Also key to the discourse are the issues of employment and employability. The World Bank 2014 Publication – **Youth Unemployment and Labour in the Caribbean**, notes that labor market conditions have deteriorated dramatically in the past years. "*Unemployment in the region tends to be of long duration. According to a set of four country studies undertaken in the region between 2007 and 2010, there is a large share of individuals who spend more than a year unemployed after they lost or quit their last job. The most notorious case is Dominica where such share is 51% of unemployed individuals, followed by Grenada with 48%. Similarly, but to a lesser extent, about one third of unemployed have been without a job for more than a year in Barbados, and St. Kitts and Nevis (34% and 32% respectively). Unfortunately, there is not more recent data of this kind in the region to have an updated sense of the situation. Still, given the current labor market conditions and*



*increasing unemployment after the financial crisis and other external shocks in the region, it can be expected that duration has stayed the same or, even worse, become longer.”*

The report further notes that inexperience adds to other barriers to youth employment in the Caribbean.

*“... an important proportion of job seekers has never worked before, a fact that generally makes it more difficult to find labor opportunities. In St. Kitts and Nevis one third of the unemployed has never worked while in Dominica and Grenada about one in four has no work experience at all. In a recent labor demand study, lack of experience stands as the third most important obstacle to fill vacancies, with 24% of employers agreeing to this being the most important issue (Manpower, 2013)... As younger workers are less experienced than adults, they also tend to be less attractive candidates. Employers prefer adult workers, as they, given their work experience, are more likely than younger ones to successfully apply job-specific skills and to have stronger socio-emotional skills and work ethics, and therefore to be more productive in the workplace.”*

Beyond unemployment and inexperience the report also sheds light on the social dislocation of youths. It notes that 621 million young people are neither in school nor training, nor working or searching for a job. They represent the youth NEET i.e. – not in employment, education or training. NEET rates are not currently available for most of the Caribbean but where they are available they are high.

*“A large proportion of youngsters in the Caribbean do not find opportunities in the labor market and do not find value in the current education system, but are faced with short-term bad choices that may ruin their chances of a prosperous future... some youngsters are discouraged around the world: they do not work, do not get trained or do not study, and do not even want to do either.”*

In relation to employability the report points to the talent shortage trend as another major obstacle.

*“The 2008 Grenada Employer’s Needs Assessment Survey, under the World Bank’s Skills for Inclusive Growth Project, found that 66% of employers were having difficulty finding new workers and was unable to find workers with the required skills (Hickling Corporation, 2008). Results from the Caribbean Labour Market Survey (CKLN, 2006) show that the main issue employers face in their recruiting efforts is that applicants have poor or no employment skills (42%) followed by lack of qualified workers (31%). Also, according to a recent study in The Bahamas (IDB, 2013), the main difficulty employers face for hiring is the under-qualification of applicants (33.8% of employers), followed by applicant’s lack of experience (28.8% of employers), and by applicant’s lack of soft skills (27.5%).”*

The report further notes that despite higher government investment, school enrollment rates are still low in several countries in the region, posing a risk to economic development

*“Secondary education is far from universal in most of the countries with available data. Guyana is the closest with an enrollment rate of 92.6%, followed by Barbados with 89% of enrollment, then Antigua and Barbuda, St. Vincent and the Grenadines, and St. Lucia, Jamaica, Dominica and The Bahamas with enrollment rates between 85% and 83%. Belize, St. Kitts and Nevis, Dominican Republic and, in particular, Suriname have much lower Secondary enrollment rate. Tertiary education enrollment rates are available for a reduced set of countries but in all of these the enrollment rates are quite low, with the exception of Grenada (52.8%) and Barbados (60.8%). St. Lucia, Guyana, and Antigua and Barbuda have enrollment rates inferior to 15%. The enrollment rate for tertiary education in St. Kitts and Nevis is of 18.2% and in Belize and Jamaica is about 26%.”*

In prescribing the way forward, The Report makes several recommendations:

- Instituting programmes that focus on skills development which have the objective of providing participants with education towards attaining some form of certification
- Focusing on programmes that aim both at developing skills and bringing together employers and job seekers
- Combining skills development with on-the job training or work based activities and job placement components to improve employability and earnings.

- Soliciting greater participation and commitment from employers
- Revamping the education system in order to adapt to the new world.
- Government coordination and regulation to ensure quality and proper functionality of the schemes.

How is our education system being revamped? Allow me to share with you some approaches from The University of the West Indies (UWI) and St. Kitts & Nevis.

The UWI launched the Open Campus in 2008 to allow increased access to tertiary education in the region. It also established two new franchises with the Clarence Fitzroy Bryant College to allow students to pursue a UWI Bachelor of Science Degree in Nursing and a Post. Grad Diploma in Secondary Education without travelling to Jamaica and Barbados respectively. The University of the West Indies is also piloting the Single Virtual University Space, which will eventually allow students throughout the region to participate in live sessions throughout UWI no matter where they are actually taking place *e.g. medical students in Montego Bay use videoconferencing equipment to attend lectures and participate in labs that are taking place at Mona.*

There are several programmes on offer at The UWI Open

Campus, St. Kitts & Nevis. Pre-university, Undergraduate and Postgraduate Degree programmes are all offered online.

The UWI Open Campus also offers face-to-face workforce development programs to meet local stakeholders' training needs. Additionally, the UWI supports several public outreach programmes: lecture series, workshops, film screenings, etc.

The Ministry of Education, St. Kitts & Nevis is currently working with UNESCO to develop an Education Sector Policy Review and subsequent a five-year Education Sector Strategy. As part of this process a National Review Team was established and a National Country Background Report was drafted.

Life and Work Skills Training is also offered as part of the St. Kitts & Nevis Sugar Industry Diversification Foundation REACH funded programmes and includes the following:

- Effective Public Speaking and Presentation Skills (course)
- Business Communication (course)
- Customer Service (course)
- Interview Skills (workshop)
- Presenting a Good Self Image (workshop)
- Personal Finances (workshop)
- Time Management (workshop)

It must also be emphasised that education redefined must consider all stakeholders including the disabled. According to Anthony Mills, President of the St. Kitts Nevis Association of Persons with Disabilities, it is estimated that at least 10% of the population in St. Kitts & Nevis is living with disabilities. Policies must be put in place to ensure equal access to education. The Trinidad and Tobago National Policy on Persons with disabilities which underpins the UWI Student Disability Policy reminds us that persons with disabilities are agents of their own destiny and equal citizens of this nation. They have the same rights and responsibilities and should enjoy equal access to the services available to each and every citizen.

The Valedictorian at the 2013 UWI Open Campus Graduation Ceremony presented a moving address from her wheelchair. UWI alumna Kerryann Ifill is currently President of the Senate in Barbados. She lost her sight at age 4 and was not only the first woman to be appointed President of the Senate in Barbados but also the first person with a disability and the youngest as she was 38 when she was appointed.

It is often said you are either a part of the problem or a part of the solution. Yes, like many such sayings, it is overly simplistic but I encourage all of us to make the choice to be part of the solution.

## CREATE & SUSTAIN INNOVATION

The 2014 Financial Information Month campaign shines the spotlight on the pursuit of success with the theme "Soar to Succeed". The message to rise above the ordinary to achieve success is embodied in the theme as it challenges citizens of the ECCU to embrace new knowledge and ideas, pursue new paths and incorporate innovative thinking to surmount the obstacles and challenges in their way and focus on their goals to achieve success.

The foregoing is an extract from a discussion on innovation by Sybil L. Welsh, Adviser, ECCB.

We exist in an economic environment where our ability to compete and be successful depends on our ability to innovate. However, in an environment where many gravitate to the familiar, it is easy for us to repeat the same models, the same knowledge and skills, the same systems, the same processes, the same practices, the same services, the same products, the same business ventures. However sameness will not birth ongoing success. It will eventually lead to stagnation, irrelevance and ultimately failure.

When we focus on continuous innovation, we focus on the pursuit of new knowledge and skills; we continue to create new

models, systems, processes, practices, product and, services, that matter; and in creating that 'must have difference' we create processes, systems, products and services that make us relevant, viable and successful. The challenge therefore for us is to move beyond "Made in the Caribbean" to "Innovate in the Caribbean". The culture of innovation must permeate every facet of society – our education, business, economic and cultural systems .

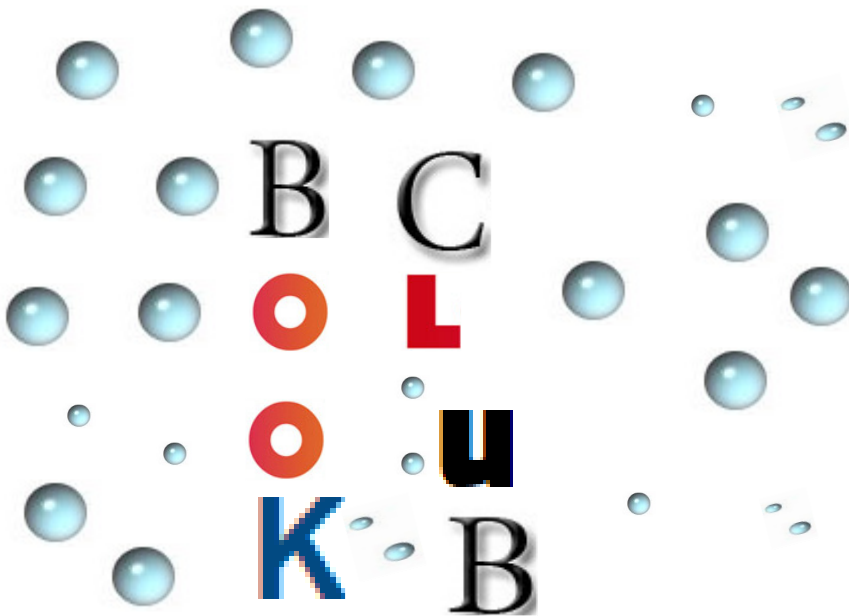
Traditional economic theories emphasise the importance of land, labour, capital as the factors of production and by extension economic success. However in an increasingly complex, knowledge-base, and dynamic digital global economy characterised by fast moving and ever changing advantages, it is obvious that the main basis for economic success is not factor-driven but rather the ability of persons, businesses, and economies to adapt and respond effectively to the moving world around them (reacting quickly to changes and taking corrective action). In brief, their ability to be innovative in a world of short-lived advantages. In our own society, we can identify many systems, policies, practices, skills and economic activities that were once relevant and advantageous a few years ago but in today's environment are no longer

relevant/successful. The obvious conclusion - The future belongs to those who continuously innovate .i.e. Those who focus on creating ongoing value; those who focus on being continuously relevant.

So what is innovation? There are several definitions:

- ◆ *"We must define 21<sup>st</sup> century innovation as beginning at the intersection of invention and insight: We innovate when a new thought, business model, or service actually changes society"* **IBM Global Innovation Outlook 2004**
- ◆ Innovation must be purposeful and begin with an analysis of the opportunities. **(Peter Drucker, 2002)**
- ◆ *Innovation is about combining seemingly unrelated ideas and new knowledge to create a new model, system, process, practice, product or service that matters i.e. a must have for its intended audience.*

It is important to recognise that innovation brings to the fore **issues of creativity and newness**. Hence the need for ongoing generation of new ideas, perspectives and thinking driven by new knowledge and new research. However new knowledge and ideas on their own will not bring out innovation unless those ideas are brought to life. We often joke that thousands of unrealized ideas are in the



cemetery. New ideas driven by new knowledge and skills therefore need action. It is also important to recognise that the mere creation of something new while it may satisfy the criteria for invention will only satisfy the definition of innovation when it brings about the creation of something new that is needed and desired. If we consider therefore the issue of the bringing to life **new ideas that matter** within the context of the Caribbean, we hit against some very deeply entrenched counter-supportive socio cultural norms that are often obstacles to creating an environment of broad based innovation.

We are known in this part of the world to be slow to change, (resistant even) and slow to recognise or appreciate the need for change. Comments like **'This is how we have always done it'**; **'Don't fix it if it is not broken'**;

**"Don't come with your big highfalutin ideas"**; **"You can't teach an old dog new tricks"** are commonplace responses to new ideas, new approaches, new proposals, new thinking, new concepts. These reflect our inertia and our resistance to disengaging from common place practices, systems, operations that no longer work and move to new opportunities.

How do we turn the tide? How do we ensure that we are not on the brink of becoming irrelevant? We must start by:

- ◆ Looking at things from different vantage points
- ◆ Learning, adapting, and moving away from areas which are unproductive and no longer viable.
- ◆ Leveraging deep customer relationships by designing irreplaceable experiences for customers.

- ◆ Embracing a strong focus on education and training. We must educate and up-skill.
- ◆ Creating and exposing ourselves to knowledge and skills that are relevant.
- ◆ Embracing agility and continuous reconfiguration.
- ◆ Creating a culture of entrepreneurial vibrancy.
- ◆ Pursuing and embracing disruptive change.
- ◆ Pursuing continuous as opposed to episodic innovation.
- ◆ Asking questions that birth innovation:
  - ⇒ **What** is the problem?
  - ⇒ **What** is not working?
  - ⇒ **What** are the possibilities?
  - ⇒ **What** can be re-imagined?
  - ⇒ **What** new direction can we take?