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Memorandum of Understanding NPCC / Enterprise Mauritius

Messrs. Ayub Nakhuda and Jean-Noël Humbert (centre) signing the MoU in presence of Mr. Lance Whitman, Chief Operating Officer, Enterprise Mauritius (far left) and Mr. Arif Currimjee, Deputy-Chairman, NPCC (far right)

Mr. Jean-Noël Humbert, chairman of NPCC, and Mr. Ayub Nakhuda, chairman of Enterprise Mauritius, signed a Memorandum of Understanding on 20th May 2005 to formalize the working relationship between the two institutions. As both institutions have a common goal of enhancing the productivity and competitiveness of local enterprises, the MoU caters for the optimum use of the resources of both institutions to provide training and consultancy services so as to offer a better assistance to the private and public enterprises.

Visit of Italian Dyeing and Textile Consultant

Mr. Sommariva discussing with entrepreneurs of the textile and garment sector

Mr Giovanni Sommariva, an Italian dyeing and textile consultant with more than forty years experience, was in Mauritius between 16th and 27th May 2005. The objectives of his visit, organised by NPCC in collaboration with Enterprise Mauritius, was to assess the textile and garment industry in Mauritius; identify the weaknesses and gaps in the local industry's structure and to make recommendations to enhance the sector's competitiveness.

Mr Sommariva conducted a workshop on clustering on 17th May 2005 to sensitise local CEOs on the benefits of increased networking for competitiveness. At the end of his visit during which he had the opportunity to discuss with sector operators, undertake enterprise visits, and meet representatives of institutions operating in the sector, Mr Sommariva mentioned that if Mauritius wants to stay competitive in the changing international environment it has to specialise in small quantity, improve its delivery time, and make high quality garments. He suggested that clustering would be the appropriate approach to reach these objectives. Besides, for the textile and garment industry to be successful in the future, it will have to solve its problems of a lack of service providers willing to deal with small orders, how to attract new employees to the sector and the training of the labour force, the sharing and maintenance of machinery, and logistics and warehousing facilities to decrease delivery period and track transportation.

Benchmarking tool for Enterprise Capacity Assessment

Steve Lewin performing the assessment of MEPZA enterprises

Another direct outcome of the collaboration between NPCC and Enterprise Mauritius, was the visit to Mauritius between 16th and 20th May of Messrs. Keith Philips and Steve Lewin, respectively President and Director of Quantel International. They came to present the Qfitness, a benchmarking tool that adopts a scientific approach for enterprise diagnosis and support, and for open seminars. A pilot group of enterprises of the Mauritius Export Processing Zone Association (MEPZA) and of the Association of Mauritian Manufacturers (AMM) were assessed according to the Qfitness and their results were commented and compared to international benchmarks.

"People seldom improve when they have no other model but themselves to copy after."

Oliver Goldsmith

Brand Mauritius

Keith Philips conducting the Seminar on International Marketing and Branding

During the Competitiveness Foresight Conference last year, participants expressed their concern that unlike countries like Singapore, Hong Kong or Dubai, which it wants to emulate, Mauritius suffers from a generic brand image appeal and is not adequately visible in the international arena. Capitalizing on the visit of Keith Philips, who is also a marketing and international branding consultant, two seminars on International Marketing and Branding were organised where executives from the textile and garment industry and from the public and private sectors respectively were exposed to the strategies a country must adopt to promote its products, services, values and image to the different target groups so as to differentiate itself from its competitors. ■

Getting Lean: Workshop on Productivity Improvement Through Systematic Application of Gemba Kiazen / Lean Methods

With the new international context, dictated by fierce cut-throat competition and the abolition of quotas and preferential trade agreements, facing Mauritian firms, the National Productivity and Competitiveness Council organised a one-day workshop on the theme "Getting Lean: Workshop on Productivity Improvement Through Systematic Application of Gemba Kaizen / Lean Methods" for managers and CEOs of manufacturing and service organisations on April 21, 2005.

The workshop, conducted by Jayanth Murthy, Regional Director of Kaizen Institute for Africa and the Middle East, offered insights on how through the application of kaizen and lean concepts, the identification and reduction of different types of waste, and tools for improving production flow and service delivery, firms could gain a competitive edge. ■

Strategic Visioning at Municipality of Beau-Bassin / Rose-Hill

Discussion between NPCC and Municipal Council of Beau-Bassin/ Rose-Hill management staff to yield the vision statement "Beau-Bassin / Rose-Hill: ville d'excellence, votre partenaire de proximité"

At the request of the Municipal Council of Beau-Bassin / Rose-Hill, the National Productivity and Competitiveness Council organised a strategic visioning exercise for its management and councillors on 7th-8th May 2005 at Villas Caroline so as to develop an effective and modern management model at the local government level. After an analysis of the various bottlenecks that hinder this local administration, the next step of the exercise consisted in developing a common vision which came out to be " Beau-Bassin / Rose-Hill: ville d'excellence, votre partenaire de proximité". An action plan to implement that common vision and towards which all the different stakeholders: municipal councillors, management, and staff will strive to provide a better service to the citizens of Beau-Bassin / Rose-Hill is presently being worked out. ■

Innovation in the education sector

A teacher explaining the 'mind-mapping' behind his project

The month of May 2005 witnessed the starting up of InnovEd, a joint Ministry of Education and Scientific Research / National Productivity and Competitiveness Council project aiming at stimulating the creativity of students to develop their entrepreneurship skills. One hundred and fifty-one teachers from pre-primary, primary and secondary schools in Mauritius and Rodrigues have been trained on the different techniques of how to stimulate creativity and innovation among young people to develop solutions to problems. The trained teachers are expected to set up teams of innovators in their respective schools who will participate in forthcoming exhibitions to be organised at the school, region and national levels during the months of July and August 2005. ■

One of the projects that came out of the InnovEd workshop

Muda Free Mauritius

Central Administration, Rodrigues, 9th-11th May 2005

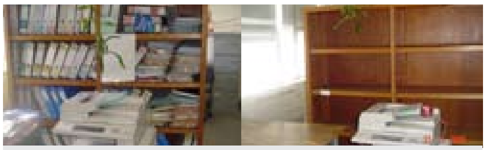
H. Ramburn of NPCC presenting the broom, a powerful tool to remove old paradigm, to team leaders

In the Cadastral Section, after five wooden cupboards were removed, the space recovered was used to create a welcoming office for customers so as to improve customer care. The different offices were cleaned and signage was put throughout the section. Improvement in the procedures for obtaining leased land reduced the response time from months to weeks. In the Fisheries Section, application of 5S enabled the recovery of 200 square metres. Process improvement in the procedure for the payment of bad weather allocation to fishermen reduced the cycle time by ten days.

Team members wishing farewell to "dead" furniture

Ministry of Education and Scientific Research, 12th-13th, 16th-17th May 2005

In the Career Guidance Section, a lot of useless equipment, furniture and documents - 150 box files - were removed. The space recovered



Unused files removed to liberate space in the Career Guidance Section

allowed for better display of the documents available and of the sitting arrangement to accommodate customers to the section. In the Scholarship Section, the office layout was redesigned to make it more receptive. The different cabinets were labeled to facilitate retrieval and reduce searching time. In the School Management Section, the different cupboards were properly rearranged and labeled. A pilot project of initiating 5S in a secondary school was also carried out. In the Open Registry Section, the removal of excess stationery and old unused documents saved space that enabled officers to be placed nearer to their respective filing cabinets thus reducing the muda of unnecessary motion.

MFM goes to colleges

Eighty form IV and V students from Eden College Port Louis were introduced to the concept of Muda at a talk at the NPCC conference room on 17th June 2005. The different forms of non-value adding activities that occur in every day's life were exposed to them and to trigger a paradigm shift in their behaviour, they were asked to think and propose solutions on how to reduce and eliminate these non-value adding activities. It was also an excellent opportunity for NPCC to present the other productivity tools that it is proposing to develop that change towards a productivity culture among the population.

It's all about the map: approaches to tracking knowledge by Paige Leavitt.

Anyone undertaking a knowledge management initiative must first uncover what knowledge already resides in their organization. Wesley Vestal, the author of *Knowledge Mapping: The Essentials for Success* (APQC, 2005), shares how knowledge managers can determine what type of knowledge map is appropriate. **To read the article, click here.**

The advantages of adopting open source software

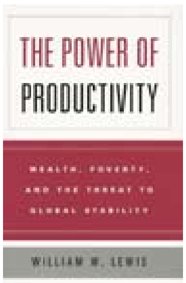
Should you go with an open source solution? This article will help you look at application availability, software costs, license management, and other issues that you must factor into a decision of whether to adopt open source in your environment. **To learn more, click here.**

The Competitiveness Institute's 8th Annual Conference, Hong Kong, China, 7th-11th November 2005

China's emergence onto the world stage has created unprecedented opportunities and challenges to business people and policy makers from all over the world. China has become a market, an investment location, a production platform, and a competitor. But what is China's true underlying competitiveness? In which industries will China lead and in which will it lag? What and where are China's major clusters and how strong will they be? What is China's influence on other economies in the region and the world? How will other economies compete with China? How can companies understand China's different regions and benefit from China's regional development? What programs and policies will be necessary to develop competitive clusters in the new environment? How do my nation or regions' own clusters stack up against the world's best?

Several of the world's leading experts on clustering and regional development will address these questions and others at the 8th Annual Global Conference of The Competitiveness Institute, to be organized by the Hong Kong Institute of Economics and Business Strategy. **To learn more about the conference, click here.**

Recent Additions to the Knowledge Centre



LEWIS, William W.: **The power of productivity: Wealth, poverty, and the threat to global stability.** Chicago: University of Chicago Press, 2004. 370p.. ill., ref.. ISBN: 0226476766

The disparity between rich and poor countries is the most serious, intractable problem facing the world today. The chronic poverty of many nations affects more than the citizens and economies of those nations; it threatens global stability as the pressures of immigration become unsustainable and rogue nations seek power and influence through extreme political and terrorist acts. To address this tenacious poverty, a vast array of international institutions has pumped billions of dollars into these nations in recent decades, yet despite this infusion of capital and attention, roughly five billion of the world's six billion people continue to live in poor countries. What isn't working? And how can we fix it?

The "Power of Productivity" provides powerful and controversial answers to these questions. William W. Lewis, the director emeritus of the McKinsey Global Institute, here draws on extensive microeconomic studies of thirteen nations over twelve years - conducted by the Institute itself - to counter virtually all prevailing wisdom about how best to ameliorate economic disparity. Lewis's research, which included studying everything from state-of-the-art auto makers to black-market street vendors and mom-and-pop stores, conclusively demonstrates that, contrary to popular belief, providing more capital to poor nations is not the best way to help them. Nor is improving levels of education, exchange-rate flexibility, or government solvency enough. Rather, the key to improving economic conditions in poor countries, argues Lewis, is increasing productivity through intense, fair competition and protecting consumer rights.

As "The Power of Productivity" explains, this sweeping solution affects the economies of poor nations at all levels - from the viability of major industries to how the average consumer thinks about his or her purchases.

Mind teaser

The 18th Horse

There was a man who left 17 horses to his three sons when he died. He left half the horses to his eldest son, a third to his second and a ninth to his youngest. The sons tried to divide their inheritance but couldn't because 17 cannot be divided by 2, 3 or 9. None of the brothers wanted to compromise. Finally, after a heated argument, they turned to a wise old man...

See page 4 for the solution to the problem

Policies must be enacted in developing nations that reflect a consumer rather than a producer mindset and an attendant sense of consumer rights. Only one force, Lewis claims, can stand up to producer special privileges - consumer interests. The Institute's unprecedented research method and Lewis's years of experience with economic policy combine to make The Power of Productivity the most authoritative and compelling view of the global economy today, one that will inform political and economic debate throughout the world for years to come.

READY, Douglas A.: **How to grow great leaders,** in Harvard Busienss Review v.82(12), Dec 2004, pp.92-100.

Few leaders excel at both the unit and enterprise levels. More than ever, though, corporations need people capable of running business units, functions, or regions and focusing on broader company goals. It's up to organizations to develop leaders who can manage the inherent tensions between unit and enterprise priorities. Take the example of RBC Financial Group, one of the largest, most profitable companies in Canada. In the mid-1990s, RBC revamped its competitive strategy in a couple of ways. After the government announced that the Big Six banks in Canada could neither merge with nor acquire one another, RBC decided to grow through cross-border acquisitions. Additionally, because customers were starting to seek bundled products and services, RBC reached across its traditional stand-alone businesses to offer integrated solutions. These changes in strategy didn't elicit immediate companywide support. Instinctively, employees reacted against what would amount to a delicate balancing act: They would have to lift their focus out of their silos while continuing to meet unit goals. However, by communicating extensively with staff members, cross-fertilizing talent across unit boundaries, and targeting rewards to shape performance, RBC was able to cultivate rising leaders with the unit expertise and the enterprise vision to help the company fulfill its new aims. Growing such well-rounded leaders takes sustained effort because unit-enterprise tensions are quite real. Three common conditions reinforce these tensions. First, most organizational structures foster silo thinking and unimaginative career paths. Second, most companies lack venues for airing and resolving conflicts that arise when there are competing priorities. Third, many have misguided reward systems that pit unit performance against enterprise considerations. Such long-established patterns of organizational behavior are tough to break. Fortunately, as RBC discovered, people can be trained to think and work differently.

World Bank: **World Development Report 2005: a better investment climate for everyone.** Washington, D.C.: World Bank, 2004. 285p., ill., ref., tables. ISBN: 0821356828

Firms and entrepreneurs of all types - from microenterprises to multinationals - play a central role in growth and poverty reduction. Their investment decisions drive job creation, the availability and affordability of goods and services for consumers, and the tax revenues governments can draw on to fund health, education, and other services. Their contribution depends largely on the way governments shape the investment climate in each location through the protection of property rights, regulation and taxation, strategies for providing infrastructure, interventions in finance and labor markets, and broader governance features such as corruption.

The World Development Report 2005 argues that improving the investment climates of their societies should be a top priority for governments. Drawing on surveys of nearly 30,000 firms in 53 developing countries, country case studies, and other new research, the Report explores questions such as:

What are the key features of a good investment climate, and how do they influence growth and poverty?

What can governments do to improve their investment climates, and how can they go about tackling such a broad agenda?

What has been learned about good practice in each of the main areas of the investment climate?

What role might selective interventions and international arrangements play in improving the investment climate?

What can the international community do to help developing countries improve the investment climates of their societies?

In addition to detailed chapters exploring these and related issues, the report contains selected data from the World Bank's new program of Investment Climate Surveys, the Bank's Doing Business Project, and World Development Indicators 2004, an appendix of economic and social data for over 200 countries. This report offers practical insights for policymakers, executives, scholars, and all those with an interest in economic development.

TURCOTTE, Julie; RENNISON, Lori Whewell: **The link between technology use, human capital, productivity and wages: firm-level evidence.** In International Productivity Monitor no.9, Fall 2004, pp.25-36, ref., tables.

This article examines the effects of education, training and technology use on productivity and wages at the firm level. The authors make innovative use of Statistics Canada's Workplace and Employee Survey, which allows the linking of the characteristics of workers in a firm to firm performance measures. They find that productivity is higher: the more intensively technology is used in the firm; the greater the proportion of university educated workers; the greater the participation of workers in formal training programs; the greater the proportion of workers who receive computer training; and the greater the firm's export orientation. A key finding with important policy implications is that computer skills training can augment the qualifications of lower-skilled workers and consequently boost firm productivity.

"The way to increase our productivity is to make people more creative, resourceful and innovative in the things they do."

John Sculley

Mind teaser

The solution to the problem

The 18th Horse

..."Take my horse and your problem will be solved," the man told them. The sons were humbled by the old man's generosity, but accepted the horse. They now had 18.

The eldest son took half, 9 horses.
The middle son took his third, which amounted to 6 horses.
The youngest son took his ninth, 2 horses.
What do you get if you add 9, 6 and 2?
You get 17, of course. The brothers had one horse left over, which they returned to the wise old man.

NPCC
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