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**EXPORT OF SERVICES: HYPE OF HIGH POTENTIAL?  
IMPLICATIONS FOR STRATEGY- MAKERS**

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**The Barbados Experience in Creating and Managing a Services  
Coalition**

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## **THE BARBADOS EXPERIENCE IN CREATING AND MANAGING A SERVICES COALITION - The Export Strategy being pursued by the Coalition, the Lessons Learnt and the Respective Roles of the Public and Private Sector**

### **Background**

In 2002, the Government of Barbados supported the Caribbean Common Market (CARICOM) initiative to set up national coalitions of service industries in member countries. The Government was aware of the positive impact of Trade in Services on Barbados' GDP from the early (80s) eighties and so it had embarked upon the mammoth task of collating a who's who list of service providers on the island. From this list, the Government of Barbados quickly set up a task force comprising presidents of the professional associations, along with government representatives and private sector individuals to discuss the creation of a Coalition of Service Industries. The task force terms of reference was to determine the objectives of the coalition; the organizational structure; and the resource requirements of the Coalition. From the inception it was realized that if this task was to have value, a partnership between Government and Service Providers needed to be established and so on March 30, 2002 the Barbados Professional Services Export Committee was formed with the help of the Government. The mandate of the Committee was the mobilization of local service providers so that a Coalition could be established. It was soon discovered that it was a far more difficult task than had first been expected as the majority of service providers believed that they were simply too busy in their day-to-day activities to devote scarce human resources to attend meetings or form associations. The capacity to export their services was a brief pleasant thought for most and for others an elusive dream. There was also the belief that there were simply too many hurdles at governmental level to successfully export and thus many were quite prepared to settle in to their comfort zones. In spite of the hurdles and challenges the committee persevered and convinced over twenty associations to formally agree to become part of a Coalition.

The Barbados Coalition of Service Industries (BCSI) was officially launched in November 2002 as an association of service associations. Barbados is the first and only country in the region to set up a coalition. The decision to organize the Coalition as an association of associations was based on the plan to be all-inclusive and not represent the goals of big businesses and established private sector organisations. A wide cross section of service providers such as Artists, Doctors, Nurses, Draftsmen, Lawyers, Accountants, Quantity Surveyors, Engineers, Financial service providers, and customs brokers attended the first meetings called. The BCSI was set up to be run by a board of directors with the understanding that a secretariat would be appointed at a later date. The BCSI therefore started its operations with over twenty associations representing over two thousand service providers, with each association having one vote. It was decided that where there was no association, service providers could join the Coalition as a provisional member until an association could be formed. Businesses and other services organizations could also join but only as associate members and without voting privileges.

Like any good salesman, the recognition of customer needs was key to the Coalitions' pitch to local service providers and it was indeed the very issue of challenges and hurdles that was used to mobilize the service providers. The Coalition held itself up as the entity that would collate and present their complaints, challenges and hurdles to eager Policy makers. The BCSI indicated that it was there to liaise directly with Government, and thereby have the members' needs addressed directly by the entity most capable of providing incentives and changes to legislation which would allow them to pursue an export strategy. That the Government was pushing these concepts and endorsed the need for a Coalition for services ensured some buy in by service providers during these early months.

### **Managing The Services Coalition**

A board was elected and the board and members began the preliminary work of carrying out the mandate. At first this proved challenging as the board was under pressure to satisfy two publics, the membership and secondly the government and also to deliver to the membership export

capabilities in as short a time as possible so as to hold the associations interest and attendance. The Board recognized that in order to fulfil its objectives that more money was required to carry out the work than could be gained from the associations as such association did not yet see the benefits that could be gained from being in the Coalition. The Government stepped in and decided to provide initial funding for the Coalition, to hire a secretariat and fund specific projects. Approval for the funds was swift and the Coalition widened its operations by increasing its lists of projects as well as hired the secretariat. Being accountable to the Government, the Coalition realized that structure had to be the foundation to ensuring sound footing for its operations. Thus, how the BCSI related to its membership, to Government; and thirdly to the myriad of potential partners for building capacity in its three main pillars of standards, education and export would always be the dictate of the BCSI. The Governance of the Coalition was set up such that the board has autonomy in guiding the secretariat with respect to the implementation of projects but it also benefits from the support of government which facilitates access to other sections of the public sector and ensures involvement in the negotiation process of the different theatres that Barbados is involved, for example the WTO, ACP/EU Partnership, CARIFORUM ETC.

### **The Export Strategy**

The BCSI understood that in order to assist its service providers in moving to the next level where they would begin to export successfully or increase exports it had to help its members build capacity. For example, it continues to educate its members on how to export successfully; the World Trade Organization and its regulations and ramifications for services exports; to lobby government for changes in legislation, provision of incentives and financial assistance; helps service providers to access financial and technical assistance; and set up association where none existed. The BCSI undertook seminars, procurement workshops, and launched a website which has proven most valuable for its membership and potential partners worldwide. Every week the secretariat sends out several learning pieces to members demystifying complex subjects like the GATTs and external barriers to trade.

The BCSI has also set out to expose its members to export opportunities by sending information and providing workshop on procurement opportunities offered by international bodies, and engaging in regional trade missions where its members are encouraged to form part of the mission. Presently, the Coalition is in the process of setting up a resource centre, creating a service directory, launching a Public Education Programme to educate the public on services, the coalition and the Ministry, documenting a step by step guide on setting up a coalition- successes and pitfalls, and planning to hold the first Services Symposium and Expo in the Caribbean region.

The Coalition recognizes that to provide its members with up-to-date and relevant information it must ensure that its secretariat is constantly exposed to learning opportunities by attending seminars and workshops to stay current. Additionally members of the secretariat were exposed to further training in technical areas of project management and international trade. The Coalition recognizes that education at all levels must never be underestimated and as it assists service providers to build their capacity to export, it too must made sure that all its stakeholders are constantly exposed to learning opportunities.

### **The Lessons Learnt**

- **When faced with being consumed because of physical size, you have to adopt the rear-view mirror approach.** You must become the object that **appears** much bigger than it seems at first glance. Your presence has to be seen and felt in much wider markets. The good news is that if you are good enough people will always root for the underdog and the pessimists will be muzzled, even if only temporarily.
- **Strategic Partnership and buy in by all players is critical to success in the short term.** That is, Government must believe, the Private sector must believe and together with those whom you seek to serve beyond the confines of your island shores must also

believe. Do not expect to get everything right the first time, but believe that every time you attempt anything that you are moving in the right direction.

- **Look around, you are probably not alone:** Far too often when a need is recognized by businesses in small societies, most entities will seek to fill the void themselves and corner the market. Unfortunately if not successful on the first attempt, they tend to accept that this is as big as their service will grow. This has on too many occasions resulted in the stagnation or death of many businesses. The Coalition recognizes that stagnation may be the result of the fragmentation of talents and skills that should be functioning as one solid well oiled machine on the same journey. The solution calls for a communication model at the national level that encourages strategic partnerships. This kind of approach is not new but it will have to become the primary survival skill for success in small societies if export of services is to become a way of life. The BCSI is pleased to report that it is building its capacity to enter strategic partnerships to the benefit of its membership.
- **If you take the time to lead the horse to water then make sure he at least sips a drink:** The management of the BCSI, is in the form of a board and a small secretariat. The board members, who are private sector individuals who volunteer their time and skills, and the secretariat all believe in Barbados' ability to be a player in this fast changing world. Unfortunately the very persons the BCSI serves expect that the Coalition will hold their hands throughout their entire new growth phase and this places tremendous demands on human resources. This is perfect, however, because once the BCSI has gained the member's trust, when it says to drink from the well of export opportunities the only task thereafter is to keep discovering new wells.
- **Listen to your members needs:** It was originally conceptualized as an organization led by professionals and based on Barbados' international educational and service standards. The Coalition believed that it would open all doors first with this group, then over time develop other areas. In reality, its non-traditional service providers were quite eager to be involved once they learnt that the BCSI would act as a bridge of development, in addition to being a liaison between Government and themselves. The word "professional" was dropped from service providers thus eliminating accusations of being an elitist entity. Membership continues to grow on a weekly basis. The members simply need knowledge and skills enhancement to build confidence to export. The Coalition's not so simple task is to lead by positive example and consistent results.

### **The Respective Roles Of The Public And Private Sector- Who Does What**

The Government of Barbados recognized the importance of the CARICOM initiative and facilitated the formation of the Coalition. The Government through the Ministry of International Business further expanded its role when it decided that in order for a coalition to function effectively the government must become the funding agency until such time as the entity can stand on its own. Thus, the Government has to ensure accountability for its funds. The Government recognized that the creation of a social partnership was important to complement the functions of government in relations to services, therefore the Coalition was treated as the private sector partner of the Ministry thereby giving the Coalition easier access to the halls of Government.

Being cognizant of the CARICOM's initiative of setting up a regional coalition, the BCSI's sees its mandate as setting up and operating a well designed, and organized coalition, which can be used as a benchmark for the other countries. Its main focus is to promote export activities among all of Barbados' service providers. In order to accomplish this the Coalition needs to understand and buy into the Governments' vision for services. It must then relate this vision to its members through education and specific projects in order to ensure that its members are at the forefront in helping Barbados to achieve this vision. The Coalition lobbies Government for changes to policy, legislation and other regulations, which impede the export drive of service providers. It educates

its members and the general public on the globalisation, and negotiating fora, the regional sphere, and their role in this new global marketplace. It also provides feedback to the Ministry in order to assist the Government in its decisions and policies.

### **Conclusion**

In 2005, the Structure of the Barbados Coalition is now fully taking shape, a Board of management, a secretariat to execute the day to day growth of the entire process, government support and a membership of 38 associations with over three thousand service providers, 200 provisional members and 25 associate members. The Coalition's very reason for being is to get Barbados' services known and purchased in markets regionally and internationally. The promotion of the highest standards of service delivery and services quality by members, locally and beyond will enhance "Barbados' Brand," while simultaneously building the capacity of the service providers. The Coalition is well on its way to achieving this goal.