

ZAMBIA INSTITUTE OF HUMAN RESOURCE MANAGEMENT
Annual Convention



“Driving productivity for sustained economic growth; Setting the tone at the top.”

26 - 27 October, 2022

Avani Victoria Falls Hotel, Livingstone

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Production and Growth

- A country's standard of living depends on its ability to produce goods and services.
- Within a country there are large changes in the standard of living over time.
- **Low income:** Less than US \$1,085 GNI per capita
- **Lower Middle Income:** Between US \$1,086 and US \$4,255 GNI per capita
- **Upper Middle-Income:** Between US \$4,256 and US \$13,205
- **High Income:** Above US \$13,205 GNI per capita.
- Zambia had a GNI per capita income of US \$1,040 in 2021, from US \$1,190 in 2020.
- **Zambia is now low-income country from lower middle-income**

Production and Growth

- **Productivity** refers to the amount of goods and services produced from each unit of labor input.
- A nation's **standard of living** is determined largely by the **productivity of its workers**.

Economic Growth around the World

- Living standards, as measured by real GDP per person, vary significantly among nations.
- The poorest countries have average levels of income that have not been seen in the developed countries for many decades.

Production and Growth

Country	Period	Per capita GDP (US \$)	Per Capita GDP (US \$)	Growth rate
China	2011 - 2021	5,618	12,562	
Singapore	2002 - 2022	53,890	64,103	
Malaysia	2002 - 2022	10,399	11,371	
Ethiopia	2002 - 2022	354	944	
Botswana	2002 - 2022	7,498	7,347	
Rwanda	2002 - 2022	668	833	
Zambia	2002 - 2022	1,673	1,120	

Production and Growth

Why Productivity is so Important

- *Productivity* plays a key role in determining living standards for all nations in the world.
- To understand the large differences in living standards across countries, we must focus on the production of goods and services.

How Productivity Is Determined

- The inputs used to produce goods and services are called the **factors of production**.
- The factors of production include:
 - **Physical capital**
 - **Human capital**
 - **Natural resources**
 - **Technological knowledge**
- The factors of production directly determine **productivity**.

Productivity: Its Role and Determinants

- *Physical capital* per worker is the stock of equipment and structures that are used to produce goods and services.
- Physical capital includes:
 - Tools used to build or repair vehicles.
 - Tools used to build furniture.
 - Office buildings, schools, etc.

Productivity: Its Role and Determinants

- **Human capital** per worker is the economist's term for the **knowledge and skills** that workers acquire through education, training, and experience.
- Like physical capital, **human capital raises a nation's ability to produce goods and services.**

Productivity: Its Role and Determinants

- **Natural resources** are inputs used in production that are provided by nature, such as land, rivers, and mineral deposits.
 - Renewable resources include trees and forests.
 - Nonrenewable resources include petroleum and coal.
- Natural resources can be important but are not necessary for an economy to be highly productive in producing goods and services.
- **Example: Singapore**

Productivity: Its Role and Determinants

Technological knowledge includes society's understanding of the best ways to produce goods and services.

FYI: The Production Function

Economists often use a production function to describe the relationship between the **quantity of inputs** used in production and the **quantity of output** from production.

FYI: The Production Function

- $Y = A F(L, K, H, N)$
 - Y = quantity of output
 - A = available production technology
 - L = quantity of labor
 - K = quantity of physical capital
 - H = quantity of human capital
 - N = quantity of natural resources
 - $F()$ is a function that shows how the inputs are combined.

Economic Growth and Public Policy

- Government policies that raise productivity and living standards
 1. Encourage **saving and investment**.
 2. Encourage **investment from abroad**.
 3. Encourage **education and training**.
 4. Invest in **health and nutrition** -healthier workers are more productive
 5. Establish secure **property rights** and maintain **political stability**.
 6. Promote **free trade**.
 7. Promote **research and development**.
 8. Population growth

ZAMBIA?



Economic Issues for Zambia

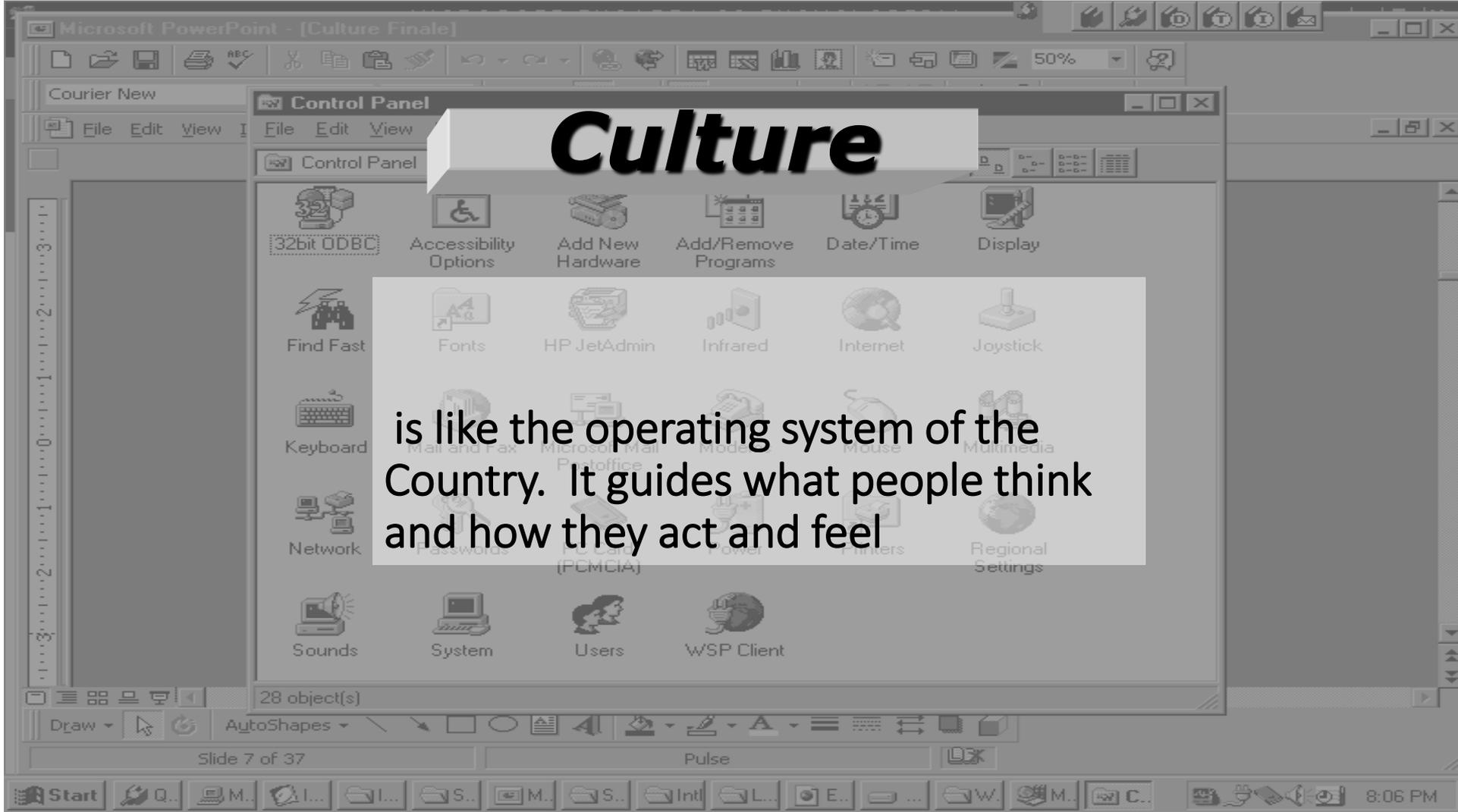
1. **CAPITAL** - **cost of capital** is too high. (FDI, JVs in exchange for cheaper non financial capital)
2. **CAPACITY** – **Low productivity** due to low level **Technical and Soft skills**. (technologies and modern business skills)
3. **COMPETITIVENESS** – **limited local markets** due to small population. (Access to global markets)
4. **COMPLIANCE** - global markets operate on formal and informal rules called **international standards**. (Upgrading to certified standards)
5. **COMMERCIALISATION** - traditional businesses with no **commercial value**. (invest in R & D)
6. **CULTURE** – **poor business culture**. (Cultural diversity)

Moment of Truth

CULTURE

Culture

is like the operating system of the Country. It guides what people think and how they act and feel



Culture remodelling

- **Attitude**dishonesty habits and Unashamed to do wrong things
- **Lazy habits (love of holidays)**..... more holidays than China
- **Support of lazy people** Called extended family
- **Unproductive traditions** – spend more time on funerals, weddings, visiting the sick
- **Social costs from Thefts** – everyone is stealing something from someone....
- **Unapologetic levels of corruption** Corrupt people are heroes
- **Love of luxuries** Even with little resources
- **Lack of Respect for other people's time** its called African time
- **Limited innovation** Very little time and resources for it
- **Short term mentality**..... no long term plans

Culture is the new Currency

- It's **all about people** and building a culture that performs.
- Culture that taps into **talented people**.
- **Diversity**, **equality** and **inclusion** are core to successful cultures.
- Zambia needs to integrate with the world for:
 - ✓ Capital,
 - ✓ Skills,
 - ✓ Technology,
 - ✓ Markets
 - ✓ **CULTURE**

“You can't just buy cultural currency; it is earned and has an intrinsic value tied to perception”



(David Fischer is the founder and publisher of Highsnobiety)

Great people are more easily attracted with a **GREAT CULTURE**



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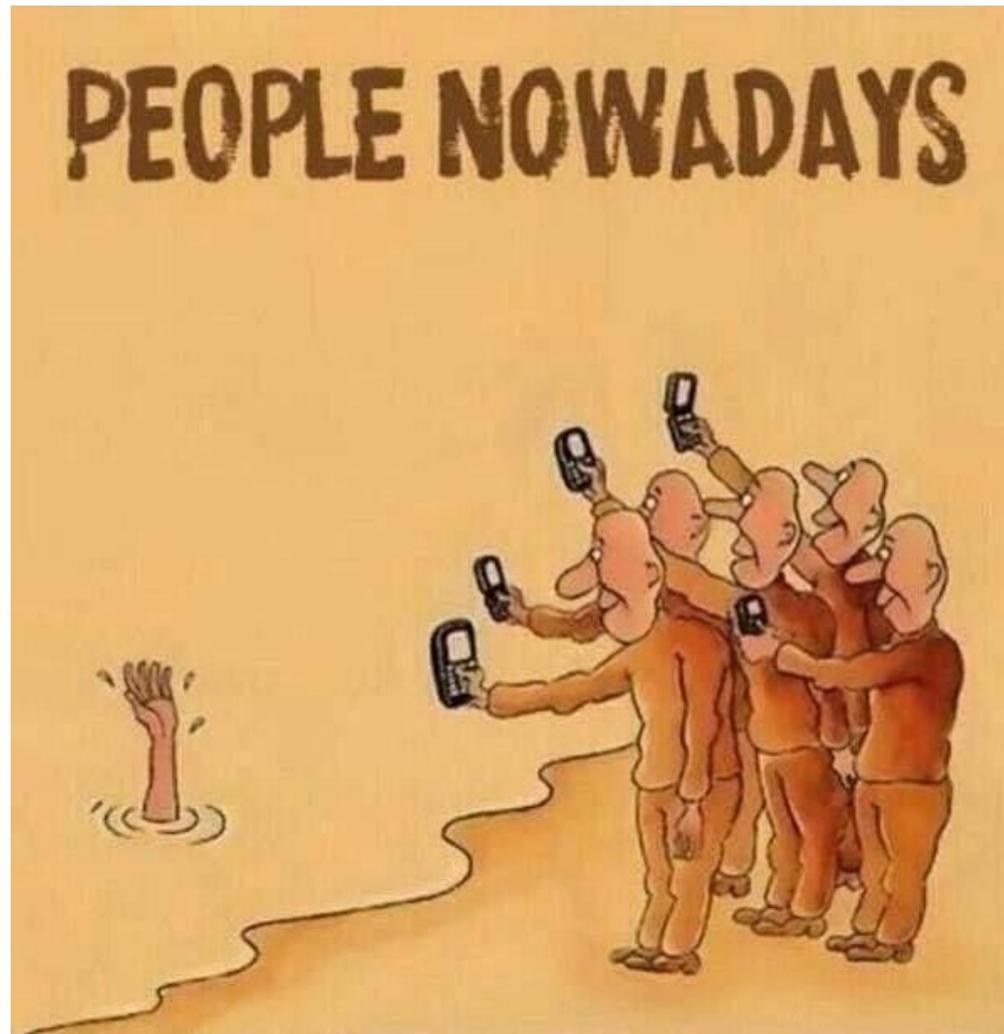
***Culture provides
resilience in tough
times and is more
efficient than
strategy***



*Culture trumps
competition...*



*A broken culture
can doom even a
great nation*



*A complacent
culture blinds
you to national
threats*

**THERE'S ALWAYS CONSEQUENCES
TO YOUR ACTIONS**

@successpictures



*Cultural mistakes
are more
damaging than
strategic mistakes*



***Culture provides a
level of risk
prevention***



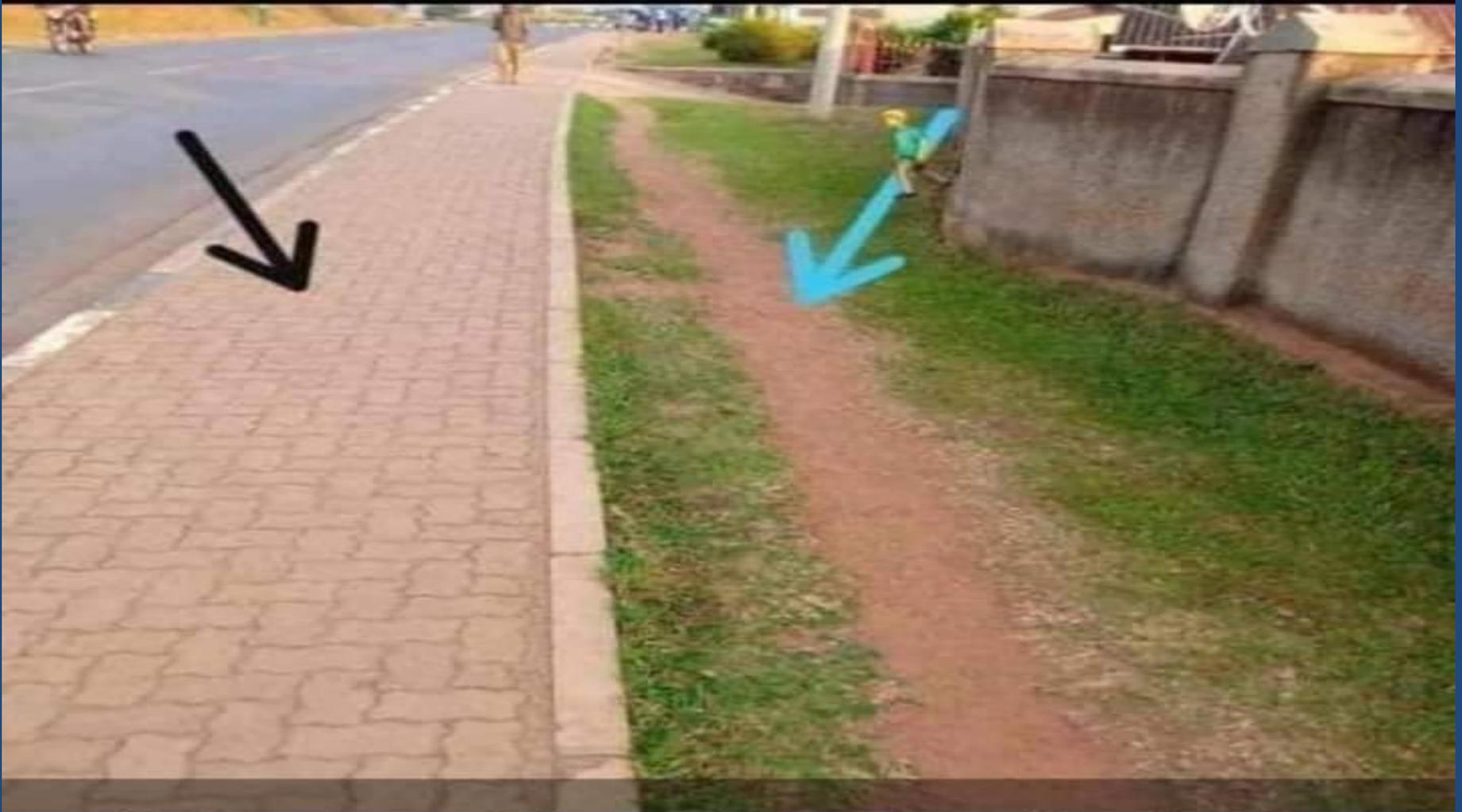
People have changed how they live & work...

	1980	2022
FOCUS	Pension	Purpose
NEED	Good Boss	Great Colleagues
HOURS	8-5	Whenever
WORKPLACE	Office	Wherever
TENURE	Whole Career	Whatever

**When it comes
to establishing
or changing a
culture the
leader sets the
tone**



Conclusion.....



Unless we defeat this mentality, forget about development



Managementor
ZAMBIA LIMITED

Live to leave a Legacy

.....We are Specialists in Soft Skills

1. Corporate Leadership and Management Skills

- Strategic thinking and Decision-making skills
- Critical thinking and Problem-solving skills
- Persuasion and Influencing skills
- Conducting meetings, Note- taking and minute taking skills
- Cultural intelligence and Intercultural communication skills
- Developing Commercial and Political awareness

.....We are Specialists in Soft Skills

2. Self - Management Skills

- Self-Management and Emotional intelligence
- Public speaking and Presentation skills
- Tact and Diplomatic skills
- Report writing and speech writing skills
- Networking, Interpersonal and Relational skills
- Questioning and Listening skills and Developing Assertiveness

.....We are Specialists in Soft Skills

3. Human Resource Development Skills

- Developing Effective Team skills and Delegation skills
- Mentorship and Coaching skills
- Employability skills and Empowerment skills
- Interviewing, Selection and recruitment skills
- Managing appraisals and performance reviews
- Talent Management skills

.....We are Specialists in Soft Skills

4. Customer services skills

- Customer service skills
- Sales and selling skills
- Branding and creative thinking skills
- Understanding Consumer behavior
- E- Management skills
- Social Media Marketing Skills

Discussions

*Thank
You*

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Live to leave a Legacy