An overview from a business perspective on the knowledge economy

- Elucidate knowledge as the centre of economic growth and development
- Lack of skills = lack of “know how”
- Confidence of the business community
• What happened here?
• Irrespective – knowledge plays a crucial part
• Knowledge feeds resource application
• Skills in terms of engineering and construction
• In brief – what really happened here
  ✓ Military spend
  ✓ Expertise exodus
  ✓ Schooling
  ✓ Culminating in...
The concept that supports creation of knowledge by employees and helps them to better utilize this in line with company/organization goals

Whilst

A business has as one of its main objectives the receipt or generation of a financial return in exchange for work and acceptance of risk
• Risk and return
• Invest – return – risk profile
• Where is risk measured – conceptually or physically
• Where is risk mitigated – conceptually or physically
Conceptual – values, vision, mission, intent – where we PLAN things

Physical – processes, infrastructure, activities – where we DO things
• Risk measured in the physical reality
• Mitigated in the physical reality
• **Critical path**
• Risk factor analysis
• **Decision then made against ROI**
• Risk mitigation and ex-pat labour
• Higher cost of labour input
• Typically in higher risk areas (knowledge-wise)
• Higher ROI expectations
• Larger pull on foreign reserves
• Country’s wealth and prosperity impacted
• Conclusion
• Business competitiveness measured in terms of competitive ability
• CA = application of resources
• Resources = financial, infrastructural, people, information and knowledge
• Shortage of any of these = higher risk, lower confidence and coinciding higher
• Two edged sword
• Don’t have own knowledge = Sudan example
• Higher reliance on FDI = stronger pull on exit
  of foreign reserves in the form of dividend
  payouts