



**Institute of Management Development (IMD)
World Competitiveness Yearbook (WCY)**

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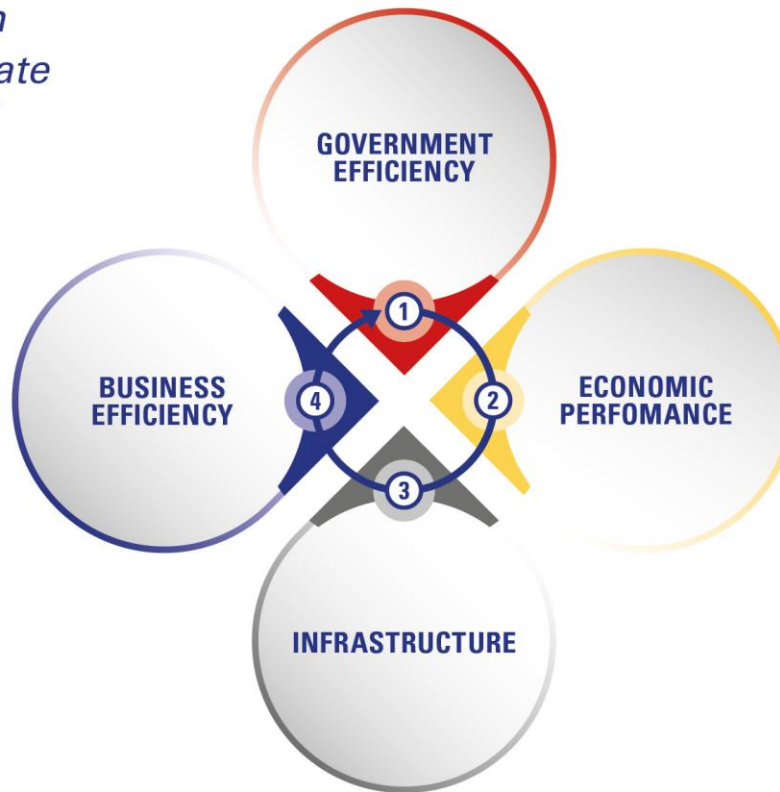
Outline

- **Introduction**
- **Methodology**
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- **Competitiveness landscape of SA**
- **WCY 2020 Top 10 and Bottom 10**
- **Key challenges of SA**
- **Summary**

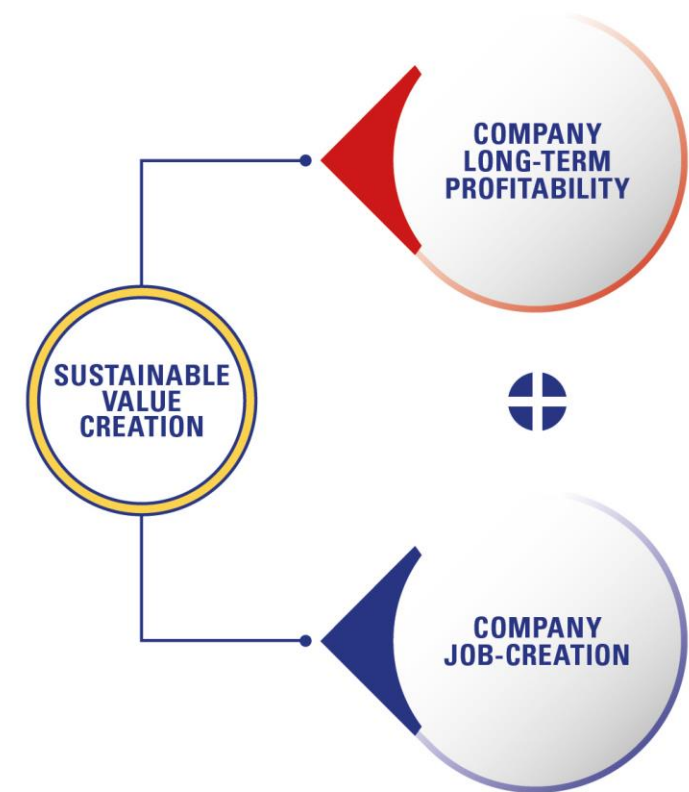
IMD Competitiveness

*“the ability of a country to facilitate an environment in which enterprises can generate **sustainable value,**”*

A. The Competitiveness Factors



B. Measuring Competitiveness



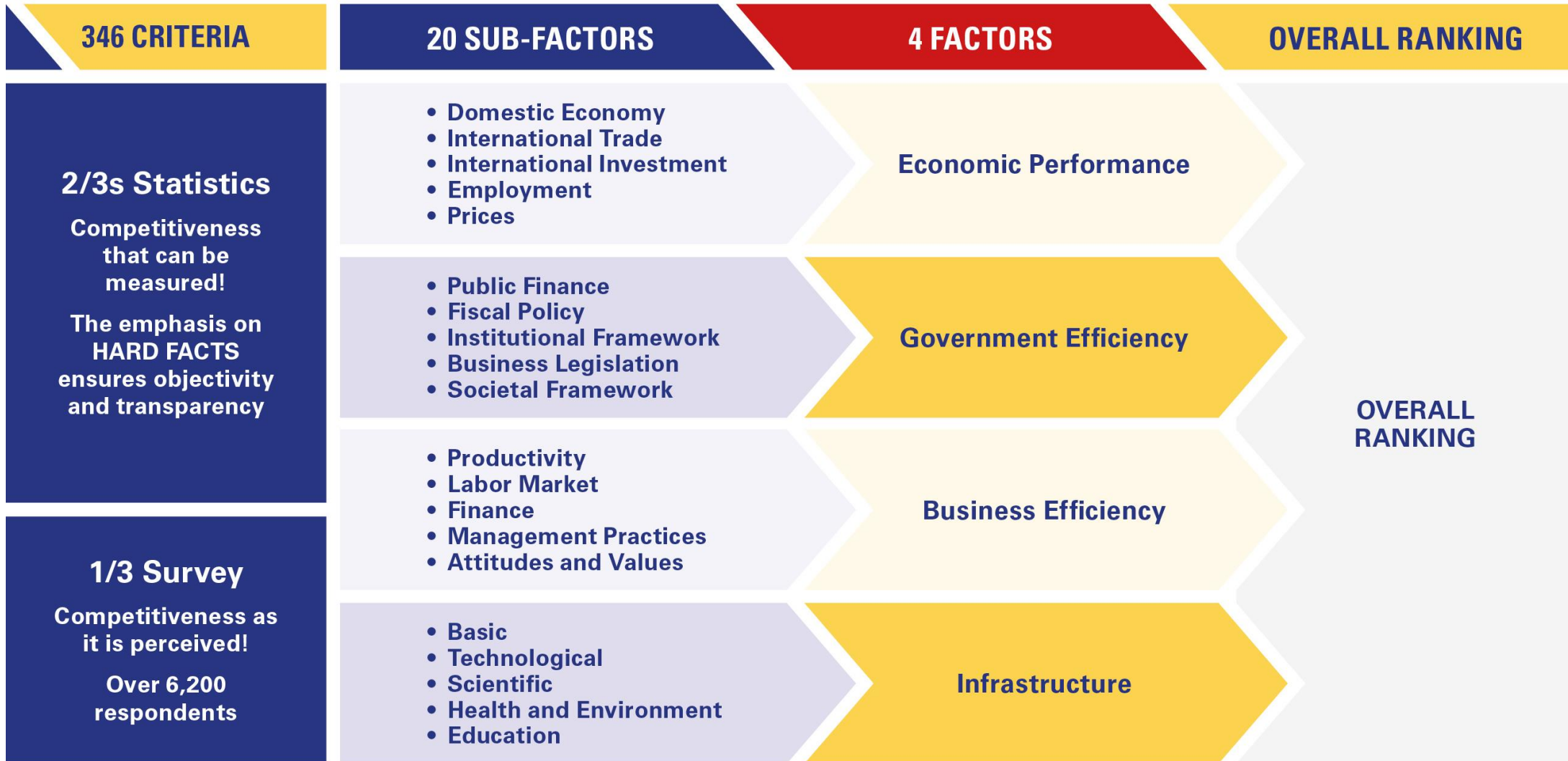
...sustainable value creation is the long term capacity of enterprises to remain profitable, create fulfilling jobs, while minimizing the environmental impact of their activities

- World Competitiveness Yearbook (WCY)
 - An annual publication that compares the competitiveness of 63 countries since 1989
- The Institute for Management Development (IMD) WCY
 - Published by the IMD based in Switzerland
- Institute for Management Development (IMD) Partner Institutes.
 - Productivity SA is the Partner Institute
- Key objective of the WCY publication
 - Assessment of countries' ability to create a conducive environment for business

IMD Methodology

- The report is based on
 - **Statistical data** obtained from international and national sources such as World Bank, Stats SA, SARB, etc.
 - **Perception (qualitative) survey** obtained through the Executive Opinion Survey (EOS) completed by business leaders in the private sector
- Perception (qualitative) survey complements statistical data
 - Quantify issues that are not easily measurable
 - (e.g. management practises, labour relations, etc.)
- WCY 2020 comprises
 - 2019 Statistical data and 2020 opinion survey
 - **Opinion survey** runs from January to March 2020

IMD Methodology

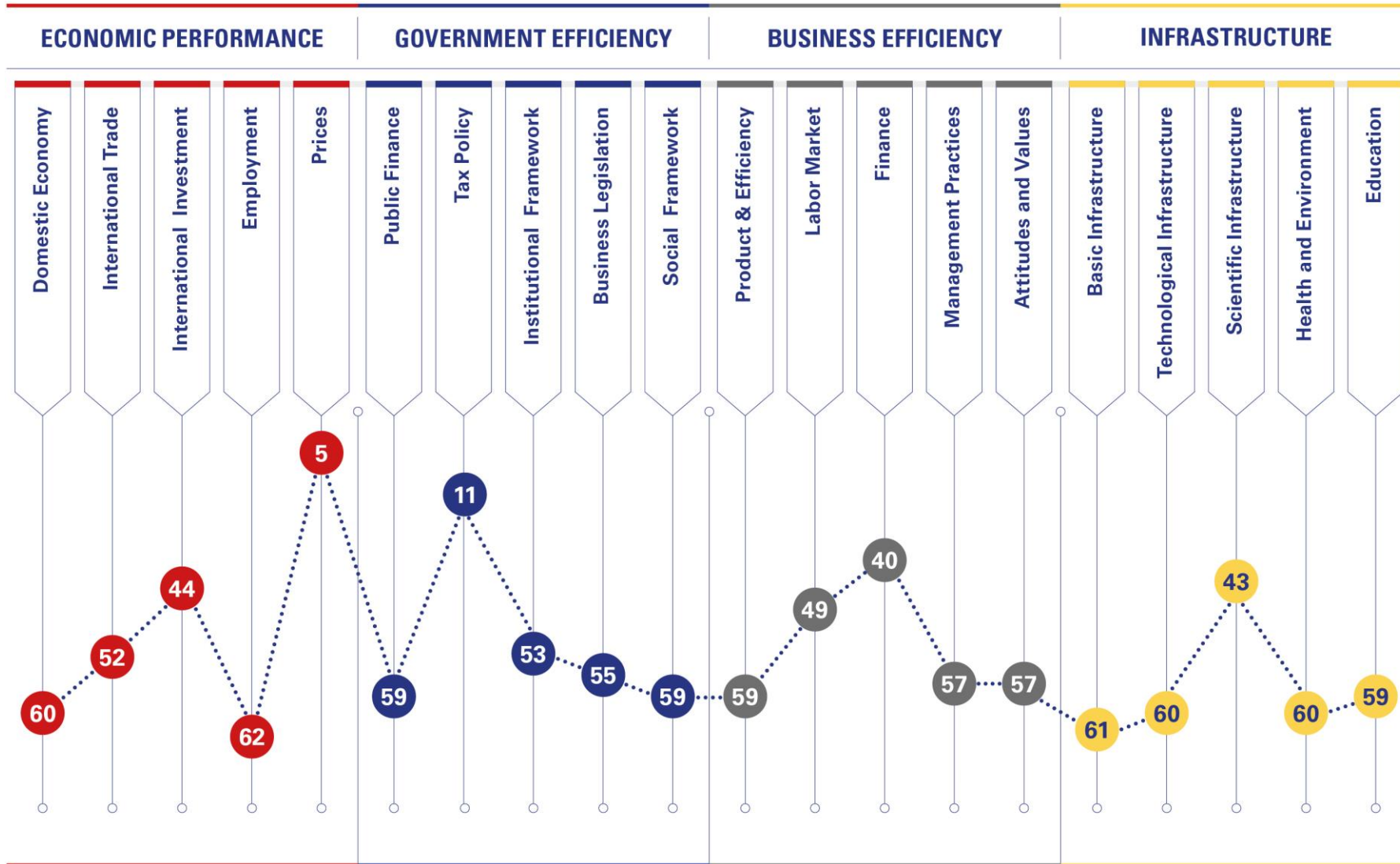


World Competitiveness Scoreboard (Overall ranking)

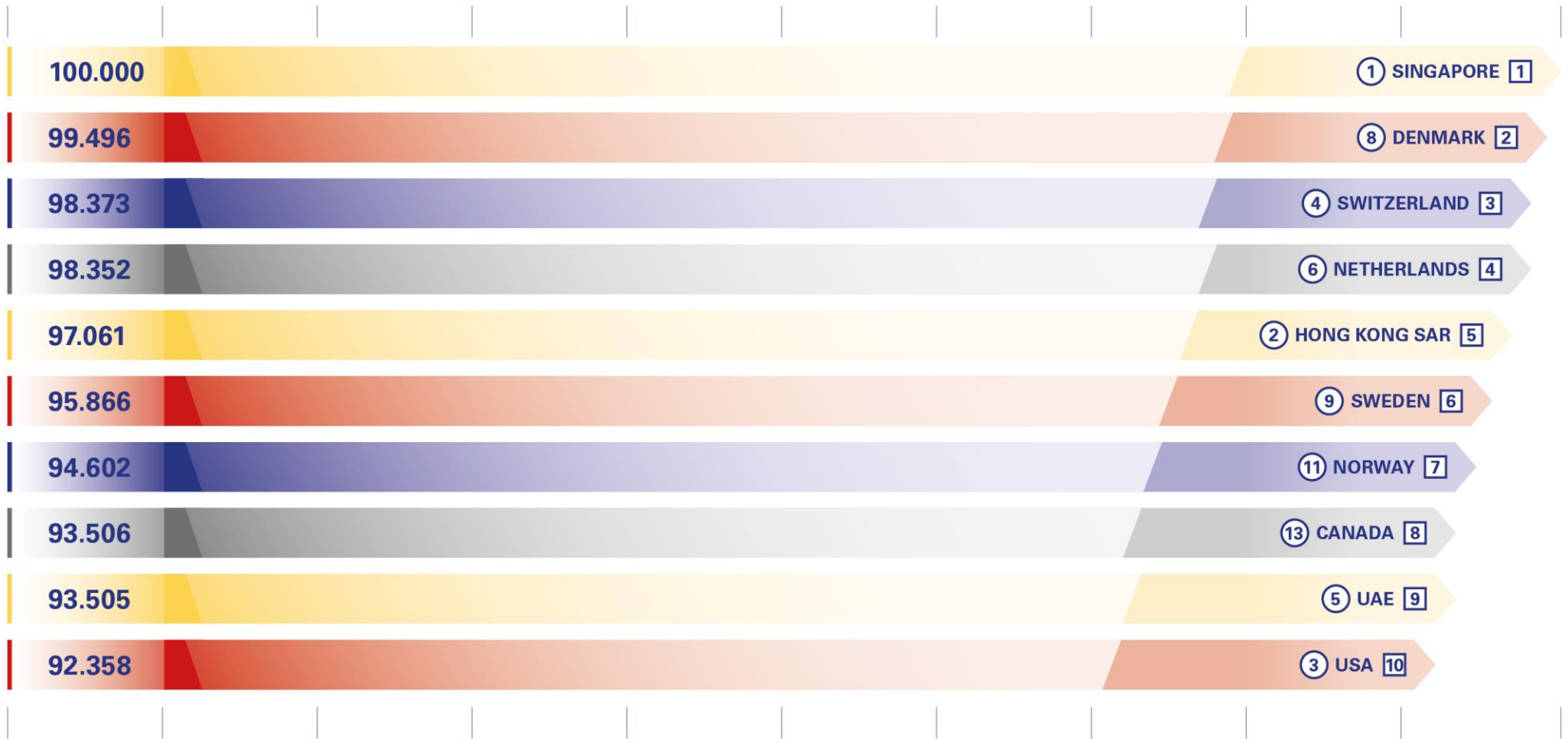
	2019	2020
OVERALL	56	59
⊙ Economic Performance	59	61
⊙ Business Efficiency	44	56
⊙ Government Efficiency	50	54
⊙ Infrastructure	60	61

 refers to a decline in position,
  refers to improvement in position

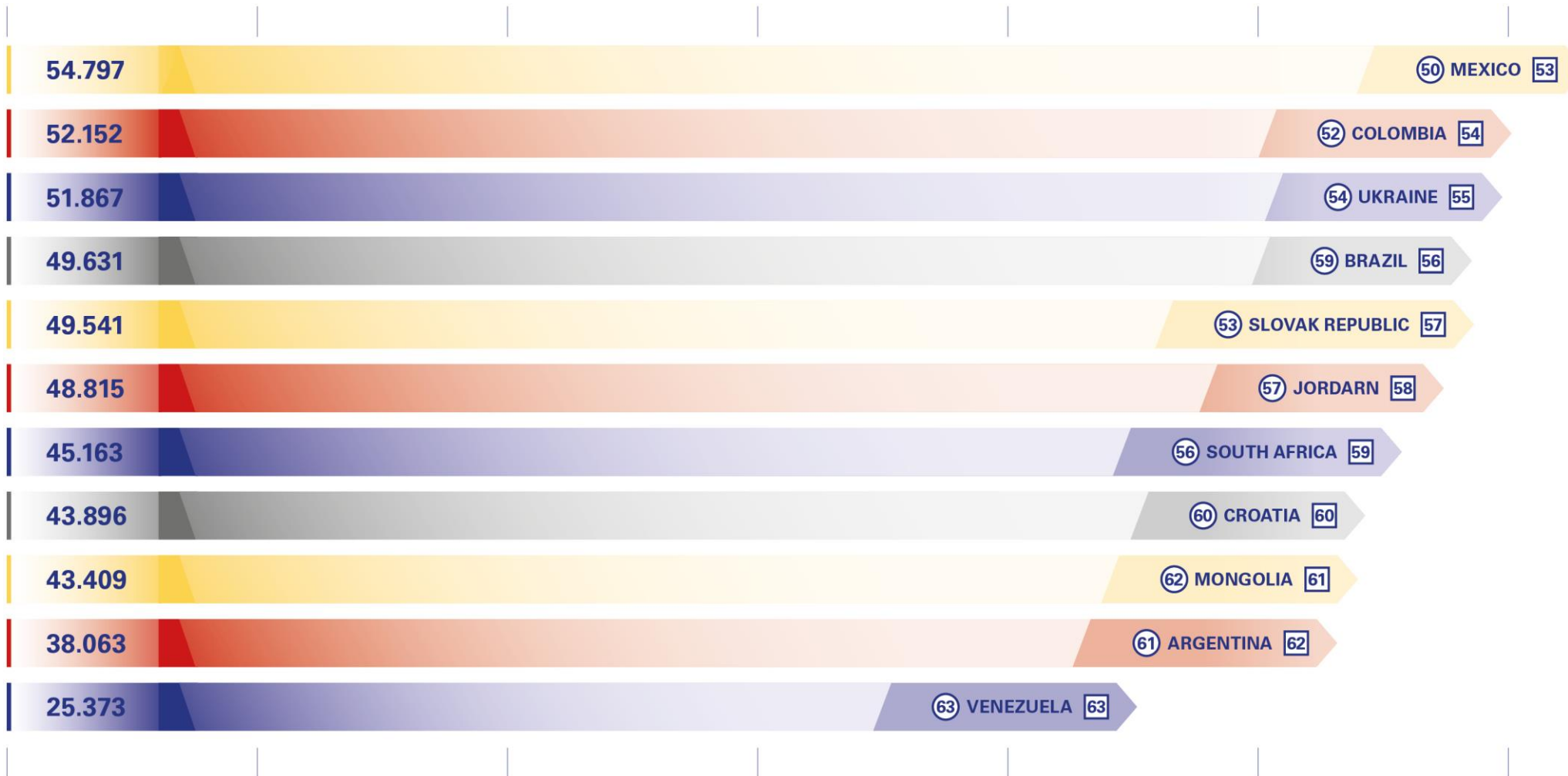
Competitiveness Landscape



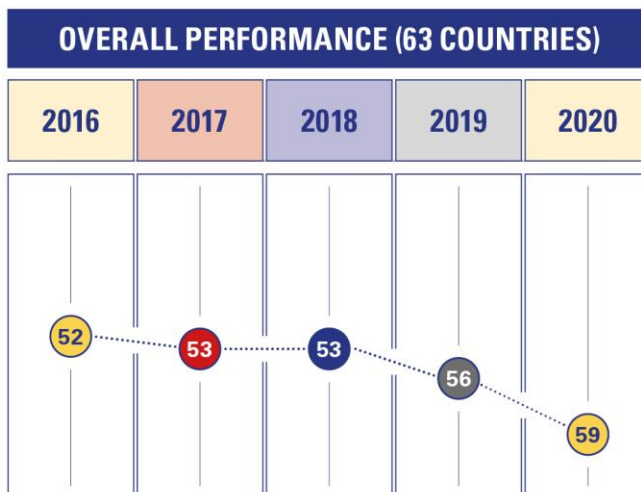
2020 Competiveness ranking: Top 10



2020 Competiveness ranking: Bottom 10



Key challenges of South Africa



CHALLENGES IN 2020

- Deteriorating headline and youth unemployment.
- Rising public debt levels amid a shrinking fiscal space.
- Lack of decisive plans to revive the struggling economy.
- Ongoing electricity supply problems and rolling blackouts.
- Sluggish legal process to address corruption in state owned enterprises.

BASIC FACTS		Rank
Capital	Pretoria	
Land area (square km '000)	1,219 ²⁰¹⁹	
Exchange Rate (per \$)	14.448 ²⁰¹⁹	
Population - market size (millions)	58.78 ²⁰¹⁹	16
Gross Domestic Product (GDP) (US\$ billions)	351.4 ²⁰¹⁹	36
GDP (PPP) per capita (US\$)	13,691 ²⁰¹⁹	58
Real GDP growth (%)	0.2 ²⁰¹⁹	58
Consumer price inflation (%)	4.13 ²⁰¹⁹	55
Unemployment rate (%)	29.10 ²⁰¹⁹	63
Labor force (millions)	23.15 ²⁰¹⁹	18
Current account balance (% of GDP)	-3.20 ²⁰¹⁹	56
Direct investment stocks inward (\$bn)	128.8 ²⁰¹⁸	39
Direct investment flows inward (% of GDP)	1.32 ²⁰¹⁹	48

Executive Opinion Survey

- Executive Opinion Survey (EOS)
 - Perception (qualitative & 15 Minutes) survey completed by business leaders in the private sector
 - Quantify issues that are not easily measurable (e.g. management practises, labour relations, etc.)
 - Opinion survey runs from January to March annually
- Humble Plea by Productivity SA
 - Support of Business leaders in the private sector
 - Ongoing engagements to strengthen the survey
 - “Executive Opinion Survey (EOS) provides the opportunity to evaluate your country about competitiveness issues and to send an important message to policy makers”



Q & A Session