

Opportunities are right in front of us

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RUBEN GOEDHOOP began his career in Advisory with Coopers & Lybrand in Aruba and has amassed considerable experience and expertise with projects in the fields of Strategy, Human Resources and Information Technology. He has been a keynote speaker at a number of conferences and seminars and was also an active board member of the Chamber of Commerce in Aruba between 2003 and 2005. Currently, Mr Goedhoop has overall responsible for the Advisory Practice within PricewaterhouseCoopers Netherlands Antilles & Aruba.

We need to diversify!” “We rely too much on tourism and need to develop other industries”. Phrases often heard in Aruba. The truth is, though, we have no agriculture and practically no natural resources. Logic tells us then to diversify in other service industries. If we are going to diversify our services industry, and with this I mean put our focus on new ‘products’ and new ‘customers’, I believe that we need to further build on our two current main strengths:

1. Our knowledge and experience of the tourism industry;
2. Our geographical location and membership of the Dutch Kingdom.

Our knowledge and experience of the tourism industry

Over the past fifteen to twenty years we experienced tremendous growth in our tourism industry: a steady increase of influx of tourists, and the establishment of world-renowned hotels and restaurants. Together with our long white beaches and our strong brand name, Aruba positioned itself among the top tourist destinations of the world. In this position we have built up sound experience in the tourism related areas of:

- Destination marketing;
- Air connections;
- Time share;
- Condominiums;
- Event marketing;
- Cruise tourism;
- Taxes (room tax, casino tax);
- Security.

At the same time we can share our lessons learned from the flip side of exponential growth: the economic and socio-economic challenges encountered in the fields of immigration, healthcare, logistics and infrastructure that large scale tourism has on an island/small country economy. This mixture of specific knowledge and experience puts Aruba in a position to which only a few other countries can relate. Based on this, I foresee opportunities in a knowledge economy where Aruba would provide knowledge management services to other countries and islands throughout the world, related to the hospitality industry as well as the spin-off that tourism has on other branches in a small scale economy.

Because of our already obtained knowledge and experience in tourism, it would require relatively less investment and effort to become a key player in the field of knowledge management services in the tourism



Aruba’s experience in tourism gives the island a competitive advantage in knowledge management services

industry (and its related spin-off effects on a small scale economy) than it would to become a dominant player in the field of any other service.

Our geographical location and membership of the Dutch Kingdom

To further elaborate on the opportunity of knowledge management, our geographical location might be an advantage. Currently, India for example has a very strong position worldwide when it comes to outsourcing. India positioned itself as a country that provides high quality, low cost IT services to other countries, including the United States. Although India is doing very well, there are some advantages that Aruba can capitalise on:

1. Aruba is in the same time zone as the East coast of the US, while India has a considerable time zone difference with the US. In practice this means that communication is a lot easier, due to the fact that any question or information requests can be addressed right away, instead of having to wait overnight on feedback. Furthermore, if physical presence is required, our professionals are only a few hours away from US soil. A main advantage of India is however that they are able to offer their services at a very low cost. Because of the average salaries in Aruba, we will not be able to match this cost level and need to emphasize the advantages above and our quality of service. However, due to the strong increase in the value of the euro and the fact that the Aruban florin is linked to the US dollar, our cost level (in florins) is becoming more and more attractive to Europe. This is where another advantage lies: our membership of the Dutch Kingdom.

2. Because most of our professionals speak English, Dutch and Spanish fluently, I foresee a win-win situation

with companies situated in for example England, The Netherlands or Spain because of the fact we can provide professional services to them in their native language. Additionally, because of their strong currency (pound sterling, euro) it would be increasingly attractive for them to obtain our services given the favourable exchange rate. After all, hiring our services would be financially advantageous and would thus provide them with a competitive advantage. At the same time our professionals will gain opportunities to expand their knowledge and experience that otherwise would not have been possible within the limitations of a small scale island economy and, by doing so, further strengthen our knowledge based economy.

Overall, capitalising on these opportunities would mean that we are less dependent on the number of tourists that visit our island annually, but it would also require changes in, for example, immigration laws in order to attract (and keep!) highly qualified personnel. Furthermore, telecommunications infrastructure needs to be up to date and competitively priced and stakeholders such as government, universities and business associations should be aligned in this vision and help cross the bridges in terms of time, people and money.

Finally, one could say: "But why should we share our lessons learned with competing destinations?" In this case I would say that it is proved that, if someone shares his/her knowledge with others (including, for example, competing co-workers), that all parties (including the one who shares his/her knowledge) grow individually and all parties become stronger as a whole. This in itself is an opportunity for Aruba and the Caribbean region to focus on; after all, the opportunities are sometimes right in front of us. E

Knowledge and experience shared, even between competitors, can produce a net gain for all parties involved



Oranjestad: a popular port of call for the cruise tourism sector