

CHIEF ECONOMIC ADVISOR: BRINGS IN FRESH IDEAS TO MEET CHANGING TIMES

Has the Big Picture become too fuzzy? Have you wondered why your organization continues to invest in information systems mainly addressed to short-term monitoring operations leaving your decision process 'wrong footed' when the Big Picture dramatically changes? How synchronized are your organization's strategic, budget and operational planning reactions to changes in the market and broader external factors? Perhaps you need to integrate broader thought constructs, especially the likely impact of the key economic issues on the organizations' strategy and decisions.

Clearly, with the world's dynamic changes – indeed, intensified by the horrendous acts of September 11^{the} and the aftermath – organizations worldwide will revisit numerous economic and financing issues affecting their objectives and methods to assess risk to reach their objectives and goals successfully.

HAD YOUR VISION CHECKED LATELY?

Might it not be time for the Board of Directors and Chief Executive Officer/President to carefully reexamine the dynamic Big Picture with probable consequences for their decisions? Sure there are discussions about economics issues, globalization, trade, etc., but who in your organization develops a robust framework to incorporate disparate information, think 'ahead of the curve', dialogue with senior decision-makers on numerous economics indicators/factors - and redesign proactive risk management in strategic planning to capture new opportunities?

The Chief Economic Advisor is not just another 'C' level role. As a new role, the Chief Economic Advisor - thinks 'out of the box' in a larger context, presents analyses on new domestic and worldwide trends/themes, and interacts with senior management to ensure that updated implications of specific economic factors/policies are taken into account in decisions throughout the organization.

A Chief Economic Advisor brings a wide variety of skills to enhance your organization's decision process. The Chief Economic Advisor works with Board of Directors, the 'VP's/ 'C's, other senior management and technical colleagues to recommend remedial action plans reoriented towards objectives and goals, in the overall context of the ever changing Big Picture.

Pragmatically this involves developing a model(s) to check the viability of your overall policies, framework and strategic formulation - in relation to your organization's Vision, leadership, persistent constraints and changes effecting the organization's economic situation to reach objectives and take advantage of significant opportunities.

The Economic Intelligence model uses information from worldwide themes, patterns and key indicators from disparate primary and secondary sources encompassing economic, finance, culture, psychology, politics, regulation, legislation and the environment. The continual assessment model, together with indices, is robust and may be directed to themes for the whole organization, particular components, or specific challenges and opportunities.

WANT TO BE AHEAD OF THE CURVE?

The effective Chief Economic Advisor's creative approach may include conventional, non-conventional and possibly some heretical sets of inquiries. This robust approach is used, among others, to diagnose reasons for underlying current problems and those 'on the horizon' in respect to the ever changing Big Picture - to recommend essential changes for solid strategic frameworks and remedial actions. The Chief Economic Advisor's approach blends the real world phenomena against a background of theoretical economic expectation.

A Chief Economic Advisor's agenda is most likely to be directed through a dialogue among The Board of Directors and Chief Executive Officer/President on pressing strategic issues, given the current situation, while formulating the dynamic future course. The Chief Economic Advisor works in cooperation with the Vice Presidents, Chiefs of Information, Strategic Planning, Marketing, International Operations and senior specialists in different businesses and departments to verify that appropriate model(s) incorporate accurate and purposeful knowledge within your organization. The Chief Economist endeavors to be a 'one-handed' economist. Through crisp communication the Chief Economic Advisor prepares distilled reviews and selected recommendations for senior management - and exchanges/transfers the essence of the thought process and knowledge.

MYTHS REVEALED

Leaders in all businesses and organizations are intimately familiar with core differences between official announcements and current practices. The Chief Economic Advisor has the dexterity to function within the increasingly integrated public and private sectors dominating policy, financing and implementation. Further, ever-increasing advances in globalization are forging closer interdependency between economic growth and economic development. *A main contribution of the Chief Economic Advisor is to crystallize the current and potential linkages among the private-public and economic growth-economic development matrix.* Given this framework, the Chief Economic Advisor works with your businesses and departments to bridge the validation of current strategies and agendas with critical adjustments. Main outputs include sets of recommendations for specific cost efficient and effective global responses and country specific action plans.

A MAJOR CONSTRAINT IN GLOBALIZATION

As a current overview in *The Economist* (September 26 – October 5, 2001) Survey 'The Case for Globalization' is a 'must read' for executives involved in expanding international trade. The reference (along with other articles in *The Economist* and elsewhere) provides persuasive arguments/evidence and constraints while suggesting approaches to reduce the negative impacts to further liberalize trade. Clearly, there are many substantive subjects to expand upon.

Here we highlight the complex subject of 'Strengthening Governance' and the emphasis to 'improve transparency and accountability'. These are essential prerequisites to ensure clarity and confidence for the decision processes among businesses, governments and international organizations. At the heart of transparency and accountability is readily available information in digestible methods of presentation. Disguised, opaque and non-existent information has allowed ruinous decisions to be made, year after year by rich and poor countries.

Often the impact of the decisions directly benefit the 'deciders' and have racked havoc with the innocent, ranging from shareholders/investors to future generations in poor rural areas of developing countries. Ironically strong advocates of open transparency and accountability do include strong multinational corporations in virtually all industries and services, most government entities and all international organizations.

Albeit a nearly ephemeral slogan 'to improve transparency and accountability', in reality there are very specific subjects to address that will be accepted quickly. *The arena of finance in both the public and private sectors is a main focus for critical decision processes where impacts have nearly immediate far-reaching 'multiplier' effects, and can be modified and measured.* Given advances in technology, robust cost-effective protocols, and the all-important good will and peer competitive pressure - resources appropriately applied will effectively improve financial transparency and accountability. Reducing the mystique in the financial arena will likely induce decision-makers to exert pressure on advocates in systems to significantly improve transparency and accountability in other essential subject areas (e.g. legal and legislation) and sectors – all leading to sustained strengthened institutions and governance.

BANKS, INVESTMENT HOUSES & GOVERNMENTS DO IT.....

Economists have long been valued as being supportive to decision processes in the capital markets as well as with macro, micro and sector issues in various levels of government entities and international organizations. The accumulated economic knowledge and information among these institutions allows calculated deliberation on *what is known and unknown* on a variety of key pragmatic issues, which leads to varied definitions and management of risk for clients.

THE CHOICE IS YOURS

Since economists influence key 'drivers' in virtually all industries and services in both the private and public sector that, in turn, directly affect most businesses and government entities – the obvious question: **What is your Chief Economist Advisor doing today?**

Contact Us to discuss your organization's applied economic developments problems, opportunities and needs for a Chief Economic Advisor.

Revised 2004

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