

# Speech: H.E. James Dauris addresses Sri Lanka Institute of Directors at the Annual General Meeting

Prime Minister, Mr Chairman, distinguished members,

I am honoured to have been given the opportunity to address you this evening.

Most of us will have seen the front pages of the main national newspapers last Friday. "Enterprise Sri Lanka: embracing our true birthright" read the bold headline. The campaign message ends: "The spirit of enterprise flows in our veins. If each of us embraces our legacy of entrepreneurial potential, Sri Lanka will flourish again". All of us here will share this ambition to see Sri Lanka and its businesses thriving.

With this ambition in mind I thought I could best use the time I have to share a few reflections on six themes, the first letters of which conveniently spell the word "ACCESS". "Access" seems appropriate, since so much of what successful business is about involves access, for products and services to markets, for companies to investment.

## **A is for Holding to Account.**

I was comparing your website with the UK Institute of Directors' website at the weekend. The UK IOD has as one of its four key objectives: "Lobbying: To represent the interests of IoD members and the business community, to government and all opinion formers. To encourage and foster a climate favourable to entrepreneurial activity and wealth creation." I was struck that your Institute has no equivalent objective. Perhaps it's something you might consider. Holding government to account and representing the interests of the business community are critical functions of business leaders in any country. Your voices as captains of industry matter: the government will listen to you.

## **My first C is for Corporate Governance.**

Among your objectives is to promote professionalism and enhance the level of integrity and ethical business conduct among directors. Whatever the field, it requires a lot more determination and firmer principles to stay straight and play by honest rules when people around you aren't doing the same and when corruption is a serious problem. Your Institute has 500 members including blue chips, public quoted companies, and private and family businesses. Acting together you have the power to be a formidable force for good practice. You can and should be setting an example – for other companies, Sri Lankan and foreign, for the government and public and private bodies. I am confident that your staff, your shareholders, your investors and your customers will all respect you for it when you do so.

## **My second C is for Competition.**

“The spirit of enterprise flows in our veins”, to quote from the advert. If I may say so, in my three years here I’ve also seen an apparent dislike of competition flowing in the veins of rather a lot of industries and entrepreneurs. Freer trade, lower barriers, fewer state-owned businesses and less protectionism are keys, I believe, to making Sri Lanka prosperous and to having its companies thrive, not just in domestic markets but around the world. Competition stimulates innovation and efficiencies, it feeds ideas, it encourages product innovation and higher customer service standards. In short it helps push benchmarks up to international levels.

One of the advantages of membership your Institute website sets out is that you will get “opportunities to be exposed to the cutting edge of the best practices in the world”. International competition and openness will bring the exposure you are right to be seeking for you members.

## **E is for English.**

I’m proud of all that my colleagues in the British Council and the British government are doing to help build up standards of English. At the weekend I spoke at the annual British Council International School Awards Ceremony here in Colombo. An amazing 173 schools from all over Sri Lanka took part. As I commented on Twitter, the occasion was a celebration of their success and of the benefits that flow to our schools and our children from Connecting Classrooms around the world. Why does it work? It works because in South America and in Africa, in China and in Russia, and here in Sri Lanka, the tens of thousands of children who take part are able to communicate with each other in English.

I believe passionately that through equipping our children with good English we give them, and we give our countries, keys to future success. If you’re in almost any of the service industries that now make up a large part of the Sri Lanka’s GDP, how successful your companies are in the future will depend on this. English is the medium through which you need to be able to explain your competitive advantage in international markets.

Lots of good work has been and is being done; much more still needs to be done. My question for you this evening is what more can the business community do to lead, to fund and to encourage.

## **Letter number five: my first S is for Standards.**

Linking across to my point on competition, I’d like to suggest that many Sri Lankan companies would help themselves by using global standard benchmarks. Whatever the field, in business as in sport, a lack of competition pulls standards down.

Tell your teams, “We can and going to be the best in the world” – they’ll like you for it. And set and hold them to global standards. Instil this, and you won’t need to fear the competition.

Lots of you will be looking for opportunities for business collaboration, in

the region and more widely, through joint ventures and strategic alliances. Ask yourselves where the potential is for intellectual property transfer. Think about how you can use international business, scientific and technical research.

### **And my second S is for Support.**

I began with A, A for holding the government and others to Account. Hand in hand with this responsibility goes a responsibility for supporting the government, for sharing the good advice that you as a group are able to give that will inform wise decision-making, for standing with the government when it wants to take sensible steps but is meeting opposition. Your website states you are committed to restoring investor confidence in Sri Lanka's private and public sectors. Many different actors will need to play their parts in this success.

Moving Sri Lanka up the World Bank's Ease of Doing Business Index, for example, needs to involve partnership. It needs business and government encouraging, helping and supporting each other. It needs them to be open with and critical of each other. I don't always get the feeling that the business community is doing as much as it can and needs to be doing to help. History seems to have made its mark – the business community in Sri Lanka is interestingly reluctant to get involved in issues that might be considered political. "Better to keep one's head down because governments change", I'm told. "It's safer to be non-aligned." I disagree.

Of course as business leaders you won't want to wade into public debate with opinions on everything. But my sense is that there are appropriate opportunities for you to speak up as a group more often than you do. I'd encourage you, for instance, to use your public authority and your influence with the government to help press down on permit mentalities, to simplify the setting up of businesses, to liberalise labour laws that hold development back. The voice of business and your collective voice as business leaders matter.

So ACCESS: Holding to Account, Corporate governance, Competition, English, Standards and Support.

Ladies and Gentlemen, I am honoured to have had this opportunity to speak to you this evening.

Thank you.