Republic Economic NEWSLETTER

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Economic Pains: Foreign Exchange Strains

Overview

The 'confluence of negative trends' mentioned in our September issue - A Perfect Drought – appear to be well and truly in effect. Early indications are that the contraction of the energy sector not only continued in the third quarter, but intensified, while key non-energy sub-sectors also likely declined as well. Despite the lift that would have been provided by activities geared towards the national general elections, Republic Bank estimates that the economy contracted by 1 percent in the third quarter relative to the second. The unemployment rate is estimated to have increased slightly to 3.5 percent, from the second quarter rate of 3.2 percent. Inflation remained largely subdued, with average prices in the third quarter just 0.9 percent higher than in the second. The domestic stock market continued to be uninspiring, with the Composite Price Index declining by 1.2 percent to 1,147.6, just marginally above the year-ago value of 1,145.1. However, it appears that the Trinidad and Tobago Natural Gas Limited initial public offering, (which was oversubscribed by 1.77 times) may have in fact injected some life into the domestic exchange. As the stock began trading on October 19, the listing of TTNGL, with 116.1 million in issued share capital added $2.7 billion to market capitalization on the first trading day.

Trinidad and Tobago Key Economic Indicators

Indicator	2014	2014.3	2015.3 p/e
Real GDP (% change)	-1.0	1.3	-1.0
Retail Prices (% change)	5.7	1.7	0.9
Unemployment Rate (%)	3.3	3.3	3.5
Fiscal Surplus/ Deficit ($M)	-2,720.0	-4,693.50	-5,983.8
Bank Deposits (% change)	8.0	-1.5	0.2
Private Sector Bank Credit (% change)	5.8	1.3	-0.2
Net Foreign Reserves (US$M)	13,592.7	12,578.5	12,768.2
Exchange Rate (TT$/US$)	6.36 / 6.41	6.33 / 6.37	6.32/ 6.36
Stock Market Comp. Price Index	1,150.90	1,145.10	1,147.60
Oil Price (WTI) (US$ per barrel)	93.17	97.87	46.55
Gas Price (Henry Hub) (US$ per mmbtu)	4.39	3.96	2.76

Source: Central Bank of Trinidad and Tobago, TTSE, EIA
p - Provisional data
e - Republic Bank Limited estimate

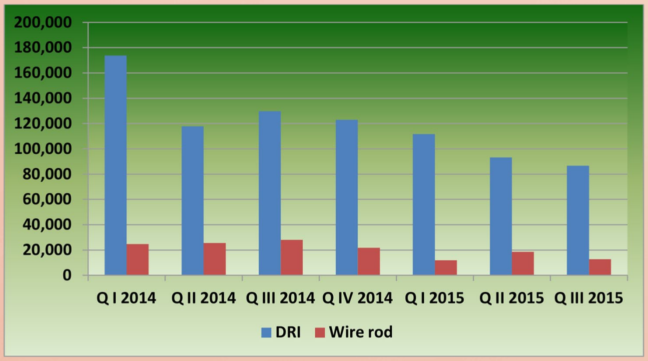
Energy Sector

With a number of indicators from upstream to downstream pointing in a negative direction, it is highly likely that the energy sector contracted in the third quarter. Exploration activity slowed markedly as rig days fell by 25.5 percent to 663, and depth drilled dropped by just under 22 percent to 114,852 feet. Production wasn't much better, with oil production dropping by 4.6 percent to an average of just 76,369 barrels per day (b/d) for the third quarter. Average natural gas production improved to 3,790 million standard cubic feet (mscf) per day, just 0.42 percent higher than the historically low second quarter value. While ammonia production increased by 8.3 percent in the quarter, methanol and LNG output were lacklustre, with contractions of 1.3 percent and 0.4 percent, respectively. Petrochemical prices across the board were weaker in the third quarter, while the average natural gas price increased by US 1 cent to US$2.76 per million British thermal units (mmbtu) or US$2.83 / mscf. The average crude oil price (West Texas Intermediate –WTI) sank by 19.5 percent to US$46.55/per barrel (/bl) in the third quarter. Worryingly, with average prices for October and November of US$46.08/bl and US$42.44/bl respectively, the fourth quarter average price is almost certain to be even lower.

Non-energy Sector

In a reversal from the previous quarter, new vehicle sales jumped by 21 percent in the third quarter with 5,091 units sold, at a monthly average of 1,697. This performance also represents a 3.4 percent increase over the corresponding 2014 period. Healthy new-vehicle sales typically point to a buoyant distribution sector as it suggests that consumers are comfortable spending at a particular level. Unfortunately, barometers of other key non-energy sub-sectors were not nearly as encouraging. While cement sales data for the third quarter was unavailable, we are confident in our assessment that construction sector activity tapered off in the quarter as a prelude to a more precipitous fall. While segments of the non-energy sector would have received a lift from election related and election inspired spending, it is doubtful that this would have been sufficient to counteract the declining impetus from a shrinking energy sector. The layoff of hundreds of workers by steel maker Arcelor Mittal Point Lisas Ltd. in December, due to dwindling demand for its products; beyond being a worrying sign for the manufacturing sector, is an indication that the oversupply of global commodities relative to demand, has indirect as well as direct impacts on the non-energy sector (Chart 1). This is a sobering thought, as the 2015/2016 National Budget presented in October, places greater responsibility on the non-energy sector for revenue generation, in light of the weak performance expected from the energy sector.

Chart 1: Arcelor Mittal Output – Tonnes



Source: Central Bank of Trinidad and Tobago (CBTT)

Fiscal Policy

Based on revised estimates coming out of the 2015/2016 budget, the domestic economy recorded an overall deficit of $5,983.8 million during the July-September 2015 period. The Central Government registered a fiscal deficit of $7 billion (4.2 percent of GDP) for 2015 compared to 4.4 billion (2.6 percent of GDP) in the previous fiscal. The widening of the fiscal deficit was mainly due to the 35 percent contraction in revenues from the energy sector (falling from $28.1 billion to $18.3 billion). For fiscal 2015/2016, the overall deficit is expected to be $2.8 billion (1.7 percent of GDP) with revenue and expenditure budgeted at $60.2 billion and $63 billion, respectively. With the energy sector expected to remain constrained for 2016, greater reliance would be placed on the non-energy sector to compensate for the anticipated shortfall in energy revenues.

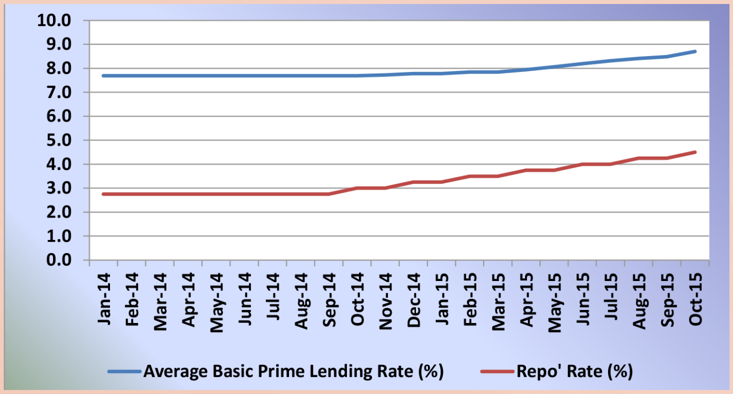
Debt

Total Public Sector Debt or Gross Public Sector Debt at the end of September 2015 was projected at $115,274 million or 69.7 percent of GDP. If Open Market Operations (OMOs) such as Treasury Bills, Treasury Notes and Treasury Bonds are excluded, the new figure, known as Net Public Sector Debt, is $76,546.2 million, equivalent to 46.3 percent of GDP. Of the Net Public Sector Debt, domestic debt, including borrowing by the central government as well as contingent liabilities, comprised 78.6 percent, while the remaining 21.4 percent was external debt.

Monetary Policy

In December 2015, the Central Bank's Monetary Policy Committee (MPC) increased the 'Repo' rate for the eighth consecutive time by 25 basis points to 4.75 percent. The imminent increase in US Policy rates continued to be the main reason for the increase in the 'Repo' rate. However, the potential for inflation to rise in early 2016 was also a contributing factor. Fiscal measures such as the Value Added Tax (VAT) reform and the 15 percent increase in super gasoline and diesel are expected to be major contributing factors for the projected rise in domestic inflation. The Central Bank continued to absorb excess liquidity to strengthen the transmission of the increases in the 'Repo' rate. The falling liquidity levels coupled with the steady increases in the 'Repo' rate have resulted in rising lending rates. The average basic prime lending rate increased from 7.69 percent in October 2014 to 8.7 percent in October 2015 (Chart 2). In September, consumer loan growth was mainly driven by motor vehicle purchases, home renovations and credit card balances. Increased loan balances for the manufacturing, energy and distribution sectors contributed to the 4.4 percent (year-on-year) increase in business lending for September 2015. On the other hand, real estate mortgages continued to decelerate.

Chart 2: Interest Rates



Source: Central Bank of Trinidad and Tobago (CBTT)

Headline inflation slowed to 3.2 percent (year-on-year) in October 2015 compared to 4.9 percent (year-on-year) in September 2015. Core inflation increased to 2.4 percent (year-on-year), which was mainly due to the higher cost of super gasoline and diesel. This was reflected in the 1 percent (year-on-year) increase in the transportation sub-index after three consecutive months of year-on-year contractions. Food inflation slowed to 6.1 percent (year-on-year) from 11 percent (year-on-year) in September 2015.

Reserves

Low prices and production levels in the energy sector, as well as robust demand for foreign exchange, continued to weaken the foreign reserves position. Consequently, gross official reserves fell to $9.6 billion (11 months of import cover), as at October 2015. The net foreign position fell marginally from US$12.9 billion in June 2015 to US$12.8 billion in September 2015. Reduced receipts from the energy sector have intensified the tightness in the foreign exchange market. In the third quarter of 2015, the demand for foreign exchange remained strong, as the sales of foreign currency to the public by authorized dealers increased by 5.7 percent, compared to the previous quarter.

Outlook

With the Central Bank advising that the Trinidad and Tobago economy is now in recession, 2015 will end on a negative note. After recording four consecutive quarters of contraction, the domestic economy is now facing challenges. Low global energy prices are expected to persist in 2016 and this will provide little hope for a quick rebound in the energy sector. In addition, there is little indication that the performance of the non-energy sector will be able to compensate for energy sector shortfalls. The Central Bank's November Monetary Policy Report revealed that key non-energy sub-sectors such as, construction and manufacturing, have both slowed down. It is likely that this trend will continue in the first quarter of 2016. Government will be challenged in finding the right policy mix in seeking to avoid the deterioration of its fiscal accounts, while simultaneously providing sufficient stimulus for growth, through government spending. In this context, the government's move to increase its borrowing limits may be necessary to support any plans to stimulate the stagnant economy. However, the downside to this decision is that it will increase the country's debt burden.

Caribbean Update

ROUND AND ROUND

If anything, 2015 has been an interesting year for Caribbean countries. The prices of most commodities, including food and metals (both precious and industrial) remained low, and crude oil prices surprised many, by staying lower than anticipated for longer than anticipated. The leading western economies, the United States (US), the United Kingdom (UK), Canada and Europe experienced economic recoveries of different speeds and consistencies, while China entered a phase of economic deceleration unimaginable a year or two ago. As we pointed out in our September issue, within this region, shifting growth patterns emerged, where tourism-based economies now had the ascendancy, with the commodity-exporting economies facing intense and protracted challenges. Looking at the bigger picture though, it becomes clear that this see-saw dynamic is by no means a new phenomenon. What would be new though is commitment and resolve from regional states to break from this pattern; to exit this cycle.

Barbados

Barbados' performance was unchanged in the third quarter, with weak growth registered despite healthy gains in tourism. For the first nine months of the year, tourist arrivals grew by 14.5 percent with significant increases from major source markets such as the US, Canada, the UK and the Caribbean. The lift provided by tourism however, was not enough to overcome lacklustre performances by construction and most other sectors, resulting in continued weak economic growth of 0.3 percent for the January to September period. On a positive note, Barbados continues to benefit from low oil prices, with a $144 million fall in its fuel bill through to September, the equivalent of 20 percent of annual fuel imports. Also, for the first half of the fiscal year (April – September), revenue increased faster than expenditure, resulting in a $19 million reduction in the fiscal deficit. Bank credit was encouraging during this period, with commercial bank financing increasing by $108 million. The unemployment rate fell marginally to 12 percent as at June, while inflation remained low, with the rate falling to 0.8 percent in July. On the other hand, the country's debt level remained high, with gross public sector debt to GDP at 108.6 percent in September. Worryingly, despite the generally favourable conditions that have persisted since 2014, Barbados' economy is not expected to expand beyond 0.5 percent in 2015.

Cuba

Cuba's economy grew by an estimated 4.7 percent in the first half of 2015, with some of the impetus for growth undoubtedly coming from tourism. Arrivals for the first nine months of the year grew by 18 percent to 2.62 million, of which more than a million came from Canada. Interestingly, though not included in the regular tourist arrival figures, the relaxation of restrictions on the 12 approved categories of US travel to Cuba, has resulted in a 35 percent increase in arrivals from that market. The foreign exchange brought in by the tourism sector would undoubtedly be welcomed, even more so with the increasing challenges faced by the nickel industry. The sub-sector, which currently accounts for 15 percent of goods export earnings, has faced ongoing production challenges. Further, nickel prices which began the year at US$15,000/tonne, have dropped sharply in November, from around US$10,000/tonne at the beginning of the month to just above US$8,100/tonne on November 23rd.

Cuba's economic and policy changes continue to unfold and take root, with lending to private sector workers increasing strongly. A concerted effort by bank branches, along with flexibility in lending regulations contributed to US$7.8 million in loans to private sector workers in the first seven months of the year, more than four times the US$1.8 million for all of 2014. Cuba also continues to build relationships with a number of countries, and in November signed partnership agreements on trade relations and investment in RDI (research, development, and innovation) with Spain.

Grenada

Indications are that Grenada experienced a creditable level of economic growth in 2015, driven largely by a solid performance from the tourism sector, with a contribution from the agriculture sector as well. Economic activity has also been boosted by low oil prices through lower transportation and electricity costs, resulting in increased disposable income. Paradoxically, as a beneficiary of Venezuela's Petrocaribe programme, Grenada is also negatively impacted by low oil prices through reduced grants for its social programmes. Not surprisingly, in this environment, the downward pressure on prices is expected to result in a negative average inflation rate for 2015, as was the case last year. Grenada is set to benefit from a disbursement of US$2.7 million following the International Monetary Fund's (IMF's) completion of the third review of its performance under the Extended Credit Facility (ECF) programme. Grenada's performance was found to be on track, with all performance criteria for end-June 2015 met and all structural benchmarks for the third review implemented. As a result of a debt exchange agreement negotiated in November, the IMF expects Grenada's debt-to-GDP ratio to decline to 90 percent at the end of 2015, from 107 percent in 2013. On a somewhat discouraging note, Grenada's citizenship by investment programme has not generated the level of revenue expected this year. Nonetheless, the Spice Isle is set to benefit from a US$250,000 eye clinic, courtesy fellow ALBA (Bolivarian Alliance for the Peoples of Our America) member, Venezuela.

Guyana

Economic activity in Guyana slowed significantly in the first half of the year due to the underachievement of the agriculture sector, constrained investment during the political crisis and declining mining sector output resulting from weak commodity prices. Growth was just 0.7 percent during the period, compared to 3.2 percent in 2014. Surprisingly, tourism was a bright spot, with the Caribbean Tourism Organisation reporting a 3.4 percent increase in arrivals for the first five months of the year. While Guyana continues to engage in both multilateral and bilateral borrowing, its debt in the first half of the year, as stated by the Ministry of Finance, remained sustainable. As of June 30, 2015, total public debt stood at US$1.6 billion of which external debt, was US$1.2 billion. The Bank of Guyana (BoG) reported that net foreign reserves stood at US$615 million at the end of August, up from US$609 million a year earlier; the first time in over two years that foreign reserves grew on a year-on-year basis.

Guyana is expected to register growth of around 1.8 percent for 2015, with economic activity picking up in the second half of the year, with the election of a new government and the passage of the National Budget. Gold production is expected to remain flat however, despite new investments coming on stream. On the other hand, rice production recovered, with 2015 output anticipated to reach 703,462 tonnes, representing a 10.7 percent increase. Rice exports also surged, with a six percent jump to 437,448 tonnes for the first 10 months of 2015. Despite these strong gains however, Guyana is experiencing reduced export earnings as international rice prices have fallen significantly, and it is no longer receiving the 'above-market' prices that it was getting from Venezuela, following that country's decision not to renew its rice purchase contracts.

Suriname

On November 19, Suriname's Central Bank (CBvS) adjusted the country's dollar peg from Sr$3.35: US$1 to an average of Sr$4: US$1; representing a 19.7 percent devaluation. The new official trading band for the Surinamese dollar against the US dollar is a range of Sr$3.96: US$1 to Sr$4.04: US$1. The devaluation is in response to Suriname's deteriorating indicators, as bauxite production falls away and earnings from mainstay commodity exports, gold and oil, have declined considerably. Revenue from oil and mining has fallen to around a quarter of its 2012 level and is not expected to rebound markedly next year. The fiscal deficit was an estimated Sr$630 million (around US$191 million) or 3.3 percent of full-year GDP in the first half of 2015, and total public debt rose by 15 percent in the first seven months of 2015, to just under US$1.6 billion in July. The sharp fall in export earnings also increased current account imbalances and eroded foreign exchange reserves. Suriname's outline budget for 2016 anticipates declines in tax and non-tax revenue of 20.8 percent and 12.9 percent, respectively. Spending on capital programmes is to be cut by over 60 percent, while current spending, including public sector wages, goods and services, and outlays on subsidies and transfers are expected to decline overall by 4.3 percent. Lower subsidies on water and electricity were already announced in September.

Having secured an agreement to sell rice to Venezuela, even before the devaluation, Suriname's exports will now become more competitive. On the flip side, the resulting sharp increase in the cost of imports will reduce its nationals' spending power and could curb consumption. The monetary authority anticipates policy tightening in a bid to offset the inflationary impact of the devaluation. Coming out of all this, local-based investment is likely to decline, but foreign investors may see greater appeal and opportunity.

Region

Jamaica continues to benefit from low oil prices, recording a US$400 million reduction in its oil import bill for the first half of the year. The island's economy grew by 1.5 percent in the third quarter, and despite the IMF lowering its 2015 growth forecast from 1.7 percent to 1.1 percent, Jamaica met all of its quantitative targets and structural benchmarks up to September, and its economic performance continues to be positive. As at August, both the fiscal balance and net international reserves (US$2.44 billion), were better than targeted and the country's inflation rate (quarter-on-quarter) fell from 3.8 percent in the second to 1.8 percent in the third quarter. The country's currency continued to lose value against the US dollar however, with the Jamaican dollar trading at $120.10 to US$1 on December 8, 2015.

The experiences of the other OECS members largely mirror those of Grenada, although it is likely that Grenada was obliged to exercise a greater level of fiscal discipline and restraint due to its partnership with the IMF. Of the six independent states, (Montserrat and Anguilla are British Overseas Territories) all are members of ALBA, virtually all have recently received tangible pledges of assistance from their Petrocaribe benefactor Venezuela, and all (except St. Vincent and the Grenadines) have citizen by investment programmes.

Outlook

Over the next six months, conditions are likely to continue favouring the tourism-based economies rather than the commodity-based ones. Although, with the expiration of the oil price shock, and US interest rates set to rise, 2016 is unlikely to be as helpful as 2015, and all regional states will face new or intensifying challenges. With all countries having encountered varying sequences of favourable and unfavourable conditions in recent years, one wonders how many have taken tangible steps towards placing their economies on a path of resilience and sustainable growth over the long term. For many, a short term salve seems to be the preferred option with nary a thought about if this salve will lead to sustainable growth, or a difficult and conflicted position down the road. In constantly striving to avoid the more arduous path, are Caribbean states making real steps forward or are they simply going round and round?

Millennials for Leadership
Are they ready?

Generational Cohorts, Baby Boomers, Generation X, Y, Z and all other letters in the alphabet. For some of us, these classifications may sound foreign but in the corporate world, these labels have become all too familiar. The business community has been somewhat overwhelmed with information on Generational Cohorts as most experts believe that a better understanding of this topic could boost profits. Marketers and advertisers continue to feverishly seek out more information on this subject area, in an attempt to better serve their customers and gain that slight competitive edge. Human Resource departments are also leveraging this knowledge to better understand the motivational factors for the various employee age groups and hopefully boost employee engagement in the process. A Generational Cohort is basically a group of persons born in a particular period who share significant life experiences or have similar characteristics. The information from Generational Cohorts studies can be used to anticipate and assess potential changes in leadership styles. Given the characteristics of the younger cohorts, we can infer the leadership styles which they are likely to adopt when they take the reins of power in business and other areas. Next year, the first wave of Baby Boomers (born during 1946-1964) is set to retire, leaving a significant leadership gap to be supposedly filled by the Millennials (born during 1981-1995). While this phenomenon relates more to North Americans, thorough research is needed to determine whether or not the same applies to Trinidad and Tobago. Nevertheless, in the absence of such research, this article assumes that the theory can be applied (even if only partially) in the local context.

The theory assumes that Millennials will bypass Generation X (born during 1965-1981) for leadership roles. This assumption is based mainly on evidence which suggest that Millennials have already leapfrogged them in the corporate world. According to a study by Ernst and Young, during the period 2008-2013, 87 percent of Millennials in the US moved into management roles compared to only 38 percent of Generation X. Nonetheless, we cannot presume that our Generation X will suffer the same fate until a full-scale study is undertaken.

This note also assumes that Baby Boomers in the US and Trinidad and Tobago citizens born during the same period are similar to some extent. The behavioural patterns and values of a particular generation are often shaped by events in history. American history shows that persons born during the Baby Boom era (post-World War II), grew up during optimistic times and as they matured, they felt the need to prove themselves to their parents who had made many sacrifices for their freedom. Their lives were shaped by events such as the assassination of President John Kennedy, the Vietnam War, the Martin Luther King protests and the Cuban Missile Crisis, just to name a few. On the other hand, our history was quite different. Although Trinidad played a small role in the allied effort during the Second World War as a site for major naval and air bases, our fight for freedom came after the war. During the 1945-1962 period, our nation transitioned from colonialism to self-governance and then finally to independence in 1962. The country also became a classic petroleum economy with oil accounting for approximately 80 percent of exports. Industrialization had also ramped up while the agriculture sector continued to be the main source of employment. Locals who were born during this time period would have experienced some level of optimism but were still trying to find their cultural identity. Therefore, their main character traits could best be described as patriotic, respectful of authority and dedicated to working and saving for their families.

While there may be some differences in our version of Millennials, they are expected to possess similar behavioural traits of their North American counterparts. This is mainly due to the impact that technology has had on globalization. They have been exposed heavily to North American culture via cable television, internet and social media. Our Millennials grew up in the digital age and as a result, they are tech savvy. Moreover, they are highly educated, ambitious, competitive, entrepreneurial and good at multi- tasking. Assuming that Millennials will overtake Generation X for leadership in Trinidad and Tobago, what does the future hold for businesses? If Millennials are given leadership positions, how could they impact organizations?

One major impact could be the increased use of technology in the workplace. While some individuals would say that this is already happening, it goes without saying that our nation is still playing catch up with the rest of the world. According to The Global Competitiveness Report 2015-2016, Trinidad and Tobago is respectably ranked 69th out of 140 countries in Firm-level Technology Absorption, which measures the extent to which businesses adopt new technology. However, we ranked a disappointing 106th out of 140 countries in Capacity for Innovation. With Millennials in the driver's seat, the adoption of new technology is expected to be more rapid. This advancement in technology could lower the number of "brick and mortar" businesses and more emphasis could be placed on e-commerce to facilitate the online trade of goods. Heightened levels of technology within organizations would promote the use of mobile apps for quicker access to data, increased communication hours, faster approval times and flexible working hours. Marketing and advertising would extensively concentrate their efforts on internet and social media. Millennials generally believe that technology is one of the keys to organizational success and those who fail to adopt it would be left behind. While everyone may not agree with this, world renowned economist, Robert M. Solow, once asserted that growth in workplace output was attributed to technological advancement, in his popular 1957 article called "Technical Change and the Aggregate Production Function".

A change in managerial styles could also be on the cards. Millennials are often labelled as lazy but in fact, they are tenacious, competitive, entrepreneurial and self-confident. The "lazy" tag came about, as most of them see work as a "gig" that fills the time between the weekends. Initially this may sound as though they lack commitment but this statement really explains their unequivocal desire for work-life balance. On the other hand, our citizens who were born during the 1946-1964 period, would have most likely suffered from a work-life imbalance as they were accustomed to working hard and long hours just to maintain job security. Millennials also had more opportunities and access to tertiary level education and other skills training programmes. Moreover, they strongly believe that training and learning new skills are essential for their own personal development and career advancement. Make no mistake, older generations also believe in education but for them, work ethic and face time are more important for "climbing" the corporate ladder. With Millennials at the helm, it is possible that they will remain ambitious and take more risks than their predecessors. Their need for work-life balance coupled with their ability to multi-task would translate into more flexible work hours, as their main concern would be performance as opposed to when, where and how the job is completed. In addition, companies led by Millennials would probably allocate a greater level of funding for staff training and development.

Organizational structures may also begin to reflect the unique managerial styles of these new leaders. So get ready to ditch the long boardroom tables for round tables, as the new and upcoming leaders would focus more on collaboration. Millennials also have a tendency to get bored when it comes to performing mundane tasks and are more geared towards knowledge-sharing. Hence, businesses may shift from departmental and corporate silos to increased usage of cross-functional teams. Over time, organizations could begin to move away from mechanist structures and become more organic. Organic structures refer to companies that are more flexible and practise decentralization, while mechanist structures resemble more of a bureaucracy. Since organic structures are able to quickly adapt, they are probably best suited for our current unstable and dynamic environment. These types of organizations would have more fluid communication lines, broader employee job descriptions, encourage higher levels of job satisfaction and would be more conducive to innovation and entrepreneurial behaviour.

These are just some of the ways in which Millennial leaders could impact our workplace. Nevertheless, the question still remains......"Are Millennials ready for leadership roles?" One of their main challenges will be the battle of "Capability versus Credibility". Millennials who aspire to be leaders believe that they possess the capability due to their extensive educational background and broad skill set. However, often their credibility is questioned due to their lack of experience. A possible solution is to increase their visibility within the organization through team projects and cross-training initiatives. Other challenges include the task of having to oversee three generational cohorts. Their subordinates are expected to range from persons who are as old as their parents to those who belong to Generation Z (born from 1996 to present), which is still being researched. In order to better prepare ourselves, Trinidad and Tobago must take responsibility by researching its very own unique generational cohorts. As mentioned earlier, our generations will not be a carbon copy of the rest of the world due to our unique history, culture and multi-ethnic society. More data would foster awareness on how each generation works and what motivates them. So are Millennials ready for the mantle of leadership in a world that is laden with challenges? The world will be watching with hope............ and hope is definitely a good place to start.

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