ACADEMY OF MULIT-SKILLS
UNITED KINGDOM

AMS
The Academy Journal

Volume:
2018

www.amsuk.training

Not for Sale

Contents

"Knowledge is NOT skill. Knowledge plus ten thousand times is Skill"

Shinichi Suzuki

Editorial

by Dr. David Benjamin / Matthew Tsang

Welcome to the December Volume of the Academy Journal for Academy of Multi-Skills (AMS). It is our honour to share with all of you the ideas we had, what we have done for education and vocational sectors and what we achieved for our learners. But most important part is the feedback and ideas from our scholars, partners, learners, industrial practitioners and readers, through their valuable contribution, we know the world better, we know the industries better and we know what we should do better.

In 2018, we are busy but have fruitful achievements in our development that our Academy has steped forward in Singapore, Malaysia and Philippines to have collaboration with government authorities and institutes from various industries for vocational education development. At the same time, we have come to agreement with Universidad Panamericana in Central America and Horizons University in France to provide more flexible and effeceive study routes for all members and learners.

However, we will never stop our steps for improving ourselves and we shall believe that we are deserved to have even better development in the future!

Last of all, we would appreciate Journals and articles from members and readers for next volume of this Academy Journal to be published in June 2019. Please let us have your thoughts by submitting the Journals and articles by mid-April 2019 at the latest for inclusion.

Thanks for everything!

The Academy of Multi-Skills (AMS) is registered as a Professional Institute. It is the leading institution in multi-skills since Year 1995 with 17,000 memberships worldwide. AMS aims to provide professional recognition to multi-skilled personnel, skilled trades, crafts and professions. The Academy encourages a positive and energetic attitude to the challenges of careers that require diversity, creativity and intellect, and recognizes the valuable contribution that these skills provide to society.

- Association of International Education Administrators (AIEA)
- UK Register of Learning Providers (UKRLP)
- Confederation of Professional Awarding Bodies (COPAB)
- Institute of Professional Financial Managers (IPFM)
- Listed in British Qualifications
- Training Qualifications UK Approved Centre
  Recognized by Commission of Higher Education, Republic of the Philippines as UK Qualification Provider

Welcome from Vice-President

by Prof. Patrick C.

Good Morning, Members,

Thank you all for joining us today. We are pleased to be able to welcome those of you that have been with us for as long as twenty five years, as well as those of you who are new to our academy. We are one family of 16,000 worldwide members.

I would like to express my gratitude to all of you who so generously helped us make the academy developed so smoothly, especially with the participating of the new management team.

You have all chosen to be a part of our academy because of our mutual passion for multi-skills development. Your passions help us all to come together as one and the energy we create as one allows us to achieve our individual as well as group goals. We need you as much as you need us and this is why we are so happy to have you join us here at the Academy of Multi-skills, United Kingdom.

In the future, you will be getting to know more about our different initiatives through our planned activities and special events where you will be able to join in and get your very own hands on experiences. I hope that these will prove to be memorable and fulfilling for you...

These are of course not the only things that are important here to us - you will also be meeting lots of new people and making new friends along the way.

Here at the Academy of Multi-skills, United Kingdom, we value and cherish the friendships we make as they more often than not prove to be formed on a strong common ground which in turn makes them last for many many, years to come!

Wish you all the best.

Articulation to Universidad Panamericana and Horizons University

CONGRATULATIONS to ourselves that we have made articulation agreement with Universidad Panamericana (UPA), the Central American Catholic university, and Horizons University from France for providing learners with recognized degree programmes from Bachelor degree to doctorate degree levels in flexible and efficient way.

Articulation to Universidad Panamericana:

Full Member + Thesis (5,000 words)	**Bachelor Degree (with specializations)**
Fellow / Chartered Fellow + Thesis (10,000 words)	**Master Degree (with specializations)**
Doctorate Fellow + Thesis on Research Focus (25,000 words)	**Doctorate Degree (with specializations)**
Level 5 Diploma Holder + Top-up final year studies	**Bachelor Degree (with specializations)**
Level 7 Diploma Holder + Thesis/Business Plan (10,000 words)	**Master Degree (with specializations)**
Level 8 Diploma Holder + Thesis on Research Focus (25,000 words)	**Doctorate Degree (with specializations)**

Articulation to Horizons University:

Level 5 Diploma Holder + Thesis (7-8,000 words)	**Bachelor Degree**
Level 7 Diploma Holder + Thesis (12,000 words)	**Master Degree**
Level 8 Diploma Holder + Thesis (20,000 words)	**Doctorate Degree**

University

tuum est

Academy

of Multi-Skills

PER ASPERA

Influence of the multi-currency regime on the performance of economies: Cross-country experiences

By Dr James Chikuni Jerera

Introduction

The issue of currency is an essential global subject of debate. The adoption of the multi-currency system has mixed results and seems not to be a panacea to economic revival. This study is an examination of the influence of the multicurrency regime (MCR) on the performance of economies.

Theoretical framework

The theoretical framework focuses on examining the models that aim to explain the influence of currency on performance in the economy and on the approach for assessing the performance of companies. The focus is also on the approaches for currency management.

Multi-factor productivity theory

According to Wangwe et al (2014), "the multi-factor productivity (MFP) theory states that multiple factors have an influence on the productivity in any economy." The MFP theory identifies the factors with the highest influence on the output and growth of an industry or economy after calculating the contribution from all its factor inputs.

"Primary inputs are resources that are critical to the productivity of the manufacturing sector. The primary factor inputs include labour and capital and are direct inputs" (Wangwe et al 2014). This study seeks to examine if the MCR affects the companies' ability to acquire multiple factor inputs.

The growth accounting framework

According to Isaksson (2007), "the growth accounting framework (GAF) acts as a mechanism for breaking down the sources of economic growth into the contributions from increases in capital, labour and other factors." The GAF is a way of observing the changing structure of the economy and assessing the contribution of each sector or industry to the whole.

Regulatory reforms as an approach to de-dollarisation would shift the currency-holding incentives towards the local currency. These measures make it more profitable for the agent to hold a local currency rather than foreign currency. Regulatory reforms do not emphasise on macroeconomic stability or qualities of the local currency itself. Accordingly, there is a danger that a culture of speculation may develop and this discourages genuine investment.

Israel's experience with dollarisation

"Israel had high and rising inflation throughout the 1970s, which further accelerated, reaching about 445% in 1984, in the context of a broad deterioration in macroeconomic conditions" (Berkmen and Cavallo 2010). As a result, the share of dollarised deposits peaked at 39% in 1984, as depositors attempted to protect the value of their assets. "To address these imbalances, including the high level of dollarisation, Israel adopted a comprehensive strategy based on macroeconomic stabilisation and prudential measures" (Clark 2007).

"On the macroeconomic side, fiscal consolidation cut the fiscal deficit from 19% of gross domestic product (GDP) in 1985 to about 10% in the late 1990s" (Adam and Cobham 2007). This effort contributed to restoring confidence in the local currency by reducing inflation under an inflation-targeting regime, while gradually increasing exchange rate flexibility. On the prudential side, reserve requirements in domestic currency were at a higher rate than those in foreign currency. Regulations were there to ensure that banks adequately incorporated the risks arising from foreign currency deposits, including by imposing stronger requirements for borrowers that did not have foreign exchange income. Concurrently, "the securities market in domestic currency deepened as the public sector began to finance its deficit with bonds in local currency" (www.en.wikipedia.org). "Following the implementation of policies to stabilise the economy, the share of deposits in dollars dropped significantly" (Bhalla 2008).

Polish currency crisis and successful de-dollarisation

According to Kokenyne et al (2010), "Poland's economic situation deteriorated in the late 1980s, with severe macroeconomic imbalances." The Polish economic and political crisis was because of factors such as the overhang of foreign debt. Poland had suspended international debt payments, there was a huge budget deficit, high inflation, price controls, and unstable domestic currency. Monthly inflation reached 55% in October 1989, and the fiscal deficit increased to 7% of GDP. Due to the lack of credibility of the government's economic policies, only about 20% of bank deposits were in local currency denominations, and most depositors moved to dollar deposits. By 1993, however, the level of dollarisation had declined to about 35%, making it one of the few countries that have successfully de-dollarised. "The level of dollarisation declined, reaching 4.5% in 1999" (Mecagni et al 2015).

The background to a successful de-dollarisation process was a significant strengthening of the macroeconomic environment. In 1990, Poland began to implement a comprehensive reform program to address the macroeconomic imbalances and to transition from central planning to a market economy. While the reform program initially resulted in a sharp recession (real GDP contracted by more than 11% in 1990), growth resumed in 1992 and rebounded to about 4% in 1993.

The Bolivian currency crisis and subsequent reforms

"The Bolivian hyperinflation 1982-1985 was because of excessive money printing to finance a burgeoning budget deficit" (Berkmen and Cavallo 2010). As the government printed money, that drove down the value of the currency vis-à-vis the US$, which in turn increased prices of imported products hence contributing to overall inflation. The demand for the peso (Bolivian currency) fell, and this resulted in a burgeoning 'black' market for foreign exchange.

In 1985, the peso-US$ exchange rate rose to almost 5 million, up from 2,000 in 1984. The annual inflation rate rose from 1,282% in 1984 to 2,560% in 1985, before dropping to 286% in 1986.

The key to ending the Bolivian hyperinflation was to design and implement a set of fiscal measures that would plug the holes in the budget. Bolivia's budgetary problems in the 1980s lay in the price of oil, for the country had depended inordinately on taxes levied on hydrocarbons, which were from a state-controlled petroleum company. "The peso price of oil had infrequent changes relative to the hyperinflation, resulting in a decline in the real prices of petroleum and thus a shrinking tax base for the government" (Bhalla 2008).

Mecagni et al (2015) note, "some preconditions were responsible for the success of the reforms in Bolivia." There were structural reforms, enhanced debt management, and commitment by the leadership resulted in success.

Among the Latin American countries that have achieved a significant reduction in dollarisation, Bolivia is a prominent example. In 2001, the Bolivian banking sector dollarised and only 6% of deposits and 3% of loans were in local currency. “By 2012, the share of deposits and loans denominated in foreign currencies had declined to 25% and 21%, respectively” (Mecagni et al 2015).

Bolivia’s successful de-dollarisation illustrates that market-driven policies are more effective in the long run than forced measures. In 1982, there had been a ‘botched’ attempt to force de-dollarisation through a mandatory conversion of foreign currency deposits into domestic currency. These measures led to severe macro-economic instability and, by 1985, the government had to allow residents to hold deposits in foreign currency again. However, in the early 2000s, there was a market-driven de-dollarisation strategy based on prudent macroeconomic policies and incentives.

Ecuador’s experience with multi-currency regime

“Following the adoption of a comprehensive stabilisation package in early 2000, some steps were implemented in Ecuador to adopt the US$ as legal tender” (Bhalla 2008). There was a prohibition on local currency issue (except as fully backed coins). An announcement of a fixed conversion rate vis-à-vis the US$, which was close to a market exchange rate catalysed the dollarisation process.

There was also a myriad of institutional changes. Ecuador’s central bank retained some functions following dollarisation in part owing to significant weaknesses in commercial banks, which would have prevented the operation of a private monetary system. There was liquidity support (through US$ denominated liquidity facilities partly financed by international financial institutions), and participation in money markets.

Dollarisation in Ecuador had significant implications for fiscal operations. All tax obligations and assessments were in US$ terms. All expenditure items were US$ at the outset of dollar-isation. “Fiscal adjustment mainly occurred on the revenue side with an improvement in revenue collection by 2% of GDP during the first year of dollarisation” (Kokenyne et al 2010).

Angola’s experience with dollarisation

Dollarisation was because of a civil conflict and the significant uncertainty about Angola’s macroeconomic conditions and the value of the kwanza (Angolan currency). “Inflation was at hyperinflation levels in the early 2000s” (www.eaglestone.eu). “It topped 100% when the civil war ended in 2002 and still exceeded 30% in 2004” (Kessy 2011). As a result, “since 2001 the kwanza has depreciated by nearly 1,600% vis-à-vis the dollar” (www.eaglestone.eu).

Dollarisation was also because of Angola’s high dependence on oil revenues. “Dollarisation was also encouraged by higher reserve requirements on kwanza than on dollar deposits, which encouraged banks to offer clients attractive rates on US$ deposits and loans” (Kessy 2011). The US$ was a vehicle for capital flight.

The high dollarisation reduced the effectiveness of monetary policy and obliged the central bank to rely on the exchange rate as the nominal anchor. “Indeed, the central bank’s policy rate is still a relatively weak monetary policy instrument” (Olalekan 2009).

There were some measures to reduce dollarisation. By 2014, Angola recently had made considerable progress in improving macroeconomic stability and increasing confidence in the kwanza. “Inflation reduced to single digits (below 8% in 2013) and the foreign exchange rate had been stabilised” (Mecagni et al 2015). “The central bank elaborated a package of administrative measures intended, among other things, to further reduce dollarisation and address the severe foreign currency shortages in the retail market” (www.eaglestone.eu).

The most important measure was to phase out the oil sector foreign exchange law. "Among other things, the law requires the oil sector to pay all domestic transactions in local currency" (www.eaglestone.eu). "There was a saving of the in-flows of dollars entering the non-oil sector through commercial banks" (Mecagni et al 2015).

Liberia's experience with dollarisation

"Liberia's experience with a dual currency regime, with the US$ enjoying the legal tender status, dates to its founding as a sovereign country in 1847" (Erasmus et al 2009).

"Following the end of the civil war in late 2003, the new government has expressed interest in strengthening the role of the Liberian dollar" (www.elibrary.imf.org). "However, Liberia is largely dollarised, with the US$ estimated to account for about 90% of money supply" (Neanidis and Savva 2009).

Liberia has had a dollarised economy since 1847. After an extended period of economic and political instability, economic performance is improving, growth has steadily increased, inflation has remained in the low double digits, and the exchange rate has been relatively stable. "While the current macroeconomic policy does not have any problems for Liberia, cross-country experience with de-dollarisation offers some lessons that are essential if the authorities consider to de-dollarise" (Kessy 2011).

"Despite the high level of dollarisation, Liberia's current macroeconomic policies have supported economic stability and a recovery in GDP growth" (Mecagni et al 2015). Accordingly, "the laws resulted in high donor and investor confidence" (www.irinnews.org). A record of accomplishment of sound economic policies and reinforcement of the financial market is necessary to increase confidence in the Liberian dollar.

According to Kessy (2011), "given Liberia's long history as a dual currency regime and the comprehensive nature of dollarisation, forced de-dollarisation with premature removal of legal tender status from the US$ would be risky and unnecessary." As noted, dollarisation in Liberia is pervasive, and US$ is in use not only as a store of value but also for conducting domestic transactions and the denomination of prices and wages.

Countries that have attempted forced de-dollarisation were either reacting to an adverse shock or implemented policies in a stable economic environment where the local currency was already essential to the economy. "The approach proved to be very risky, with potential for substantial adverse macroeconomic outcomes" (Kessy, 2011).

Zimbabwe experiences with the MCR

"In Zimbabwe, the adoption of multiple currencies in the aftermath of episodes of hyperinflation saw economic activity rebounding on the back of an improved business environment" (www.rbz.co.zw). Accordingly, the Confederation of Zimbabwe Industries (CZI 2011) states, "the industrial capacity utilisation improved from estimated levels of less than 10% in 2008 to 58% in 2011 on the back of relative price stability."

"Benefitting from improved industrial capacity utilisation, GDP, which had cumulatively declined by an estimated 50% over the period 2000 to 2008, rebounded to an average of 11% over the period 2009 to 2012" (www.rbz.co.zw). In concomitance with a revival in economic activity, the Zimbabwe Statistical Agency (2014) is of the view that, "the export performance improved markedly from US$1.65 billion in 2008 to US$4.4 billion in 2011 before declining to US$3.4 billion in 2014."

"The average annual inflation during 2009-2014 was 3%, while the real GDP grew on average more than 8% a year" (Africa Development Bank 2014). "While it may be tempting to consider these outcomes a success, a closer look at the overall economic performance reveals some challenges and open Issues" (www.deepblue.lib.umich.edu).

There was a decline in growth from 14% in 2011 to 2% in 2012 and 2013. "Average capacity utilisation fell from 58% in 2011 to 45% in 2012 and further to 40% in 2013" (CZI 2013). The decline was despite the fact the main problems in the period before 2010 (politics, hyperinflation and shortage of foreign currency) were no longer challenges.
The 2015 manufacturing sector survey shows a decline in performance as compared with 2014. "The weighted capacity utilisation declined by 2% from 36% to 34%" (CZI 2015). "The decline in export performance on the back of a relatively high import bill has ignited debate on the impact of the appreciation of the US$ on the competitiveness of the country's products in both the domestic and export markets" (www.rbz.co.zw). "The progressive appreciation of the US$ against major trading partner currencies particularly the South African rand, has prompted a review of the suitability of the continued use of the US$ as the anchor currency in Zimbabwe's basket of multiple currencies" (www.financialgazette.co.zw).
One of the challenges is that of external competitiveness and the extent to which an overvalued currency (US$) has contributed to the sluggish growth. "Concerns about the limited external competitiveness have prevailed for some time given the country's declining global export shares, widening trade deficits, and high concentration of exports to South Africa" (www.deepblue.lib.umich.edu). "The role of the real exchange misalignment in the 2008 currency crisis was also underscored" (Buigut 2015). The manufacturing sector in Zimbabwe was yet to witness a reversal of its decline in performance since 2000.
In Zimbabwe, the multicurrency system poses some challenges. "Although the initial intention was (for a good reason) that the rand would be the reference currency, the US$ became the dominant currency for both accounting records and transactions, with even government accounts being in US$" (Nyarota 2015).
Other concerns emanating from the MCR include the loss of income that a central bank derives from its ability to issue currency. "There is also the loss of monetary and exchange rate policy autonomy" (Kararach et al 2010). When a country relinquishes the exchange rate as an instrument, it loses a mechanism for protecting itself from economic shocks.

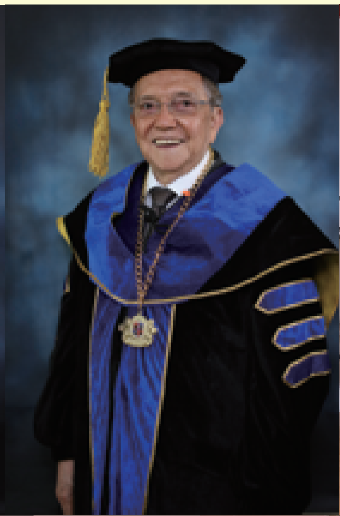
Conclusion

Cross-country experience suggests that dollarisation does not preclude monetary policy from achieving its primary objective of price stability and that successful and lasting dollarisation may be difficult to achieve.
Dollarisation that results from a loss of confidence in the local currency after a period of ineffective macroeconomic management and economic instability is usually very persistent.
"The literature on the costs and benefits of dollarisation offers no evidence that dollarisation has a significant impact on economic growth and inflation"
(www.unfccc.int).
"Adoption of the US$ may increase the financial sector's vulnerability to shocks" (Olalekan 2009).
While most highly dollarised economies have chosen not to pursue policies to promote de-dollarisation, some countries attempted to delink from the US$ to strengthen monetary policy and reduce balance sheet vulnerabilities.
Countries that have tried to force de-dollarisation experienced adverse macroeconomic effects; in some cases, they had to reverse policies several years later when there was no sustained fall in dollarisation.

Congratulations !

Fellowship Conferment in 2018

24th October





Level 8 Professional Doctorate Diploma for Executive (Research Focus)

The Level 8 qualification aims to enhance learners' ability to question, analyse, evaluate, theorise and develop your professional management practice through the completion of in-depth research in business and management field. Learns are trained to critically applying techniques for carrying out business and management-related research and advanced academic enquiry and making informed decisions regarding complex and unpredictable business situations and management issues with personal qualities and transferable skills.

Course Structure

1. ***Principles of Research*** (15 credits)
2. ***Research Methods*** (15 credits)
3. ***Developing Effective Literature Review*** (15 credits)
4. ***Analytical Techniques in Research*** (15 credits)
5. ***Professional Dissertation Project*** (15 credits)

Dissertation is required to submit for graduation

Equivalent to Doctorate Degree

*Both Ph.D and Professional Doctorate graduate could be conferred the title "Dr.", but the two qualifications are not the same.

Achievable Qualification for meeting YOUR Challenging world

Membership, Designation and Professional Courses

Membership

1. Student Member - Stud.AMS
2. Associate Member - A.M.A.M.S.
3. Full Member - M.A.M.S.
4. Fellow - F.A.M.S.
5. Company - CO.A.M.S.
6. Chartered Fellow - Chartered F.A.M.S.
   (With specializations)
7. Doctorate Fellow - Doctor F.A.M.S.
   (With specializations)

ACCESS OUR WEBSITE FOR MORE INFORMATION

Designation

1. Chartered Building Surveyor
2. Chartered Building Engineer
3. Chartered Civil Engineer
4. Chartered Colourist
5. Chartered / Certified Designer / Fashion Designer / Fashion Design Director
6. Chartered Director
7. Chartered Energy Engineer
8. Chartered Electrical Engineer
9. Chartered Engineer
10. Chartered Environmental Health Practitioner
11. Chartered Environmentalist
12. Chartered Forester
13. Chartered Geologist
14. Chartered IT Professional
15. Chartered Land Surveyor
16. Chartered Librarian
17. Chartered Linguist
18. Chartered Measurement and Control Technologist

⋮

Membership, Designation and Professional Courses

-
-
-

29. Certified Floral & Handicraft Arts Specialist
30. Certified Perfume Deployment Master
31. Certified Montessori Education Specialist
32. Licensed Social Playgroup Specialist
33. Licensed Playgroup Center Manager
34. Registered Beauty Therapist

Professional Courses

- NVQ

1. Professional Doctorate Diploma for Executive (Research Focus) (Level 8) (Endorsed by TQUK) (Equivalent to Doctorate Degree)

- RQF

1. Level 8 Advanced Professional Diploma (Equivalent to Professional Doctorates)

Specializations:

- Business Administration
- Project Management
- Psychology
- Business Psychology
- Engineering
- Environmental Studies
- Hospitality
- Design
- Developmental Education

2. Level 7 Advanced Professional Diploma (Equivalent to Master's Degree)

Specializations:

- Business Administration
- Project Management
- Psychology
- Business Psychology
- Engineering
- Environmental Studies
- Hospitality
- Design
- Developmental Education

3. Level 6 Professional Diploma (Equivalent to Bachelor's Degree)

Specializations:

- Business Administration
- Project Management
- Psychology
- Business Psychology
- Engineering
- Environmental Studies
- Hospitality
- Design
- Developmental Education
- Early Childhood Education

4. Level 5 Professional Diploma

Specializations:

- Business Administration
- Project Management
- Psychology
- Business Psychology
- Engineering
- Environmental Studies
- Hospitality
- Design
- Developmental Education

- NQF / QCF

1. Postgraduate Diploma (Level 7)

Specializations:

- Postgraduate Diploma in Business Administration (Endorsed by TQUK)
- Others

2. Advanced Diploma (Level 5)

Specializations:

- Advanced Diploma in Business Management (Endorsed by TQUK)
- Others

3. Diploma (Level 4)

Specializations:

- Business Administration

4. Diploma (Level 3)

Specializations:

- Management

LIFE IS NOT ABOUT FINDING YOURSELF,
IT'S ABOUT CREATING YOURSELF.

WHAT DO YOU WANT TO BE?

Special Acknowledgment :
Dr. Wooller

Offical Website:
www.amsuk.training

Email Address:
info@amsuk.training

® All rights reserved by Academy of Multi-Skills

Printed in UK