

Caribbean Community (CARICOM)

CONCEPT PAPER

**Professional Services
in
Caricom Single Market and Economy (CSME)**

1 July 2009

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1.0 INTRODUCTION

To facilitate the development of a strategic vision for services in the region, this Concept Paper, for discussion, reviews a selection of professional services which are provided in the 15 Member states of the Caribbean Community (CARICOM). Professional services can be defined as those where persons principally sell their time, which is limited, as opposed to selling a manufactured good which can be reproduced. Therefore, professional fees are based on the multiplication of an hourly rate and the number of billable hours spent performing the service.

1.1 Scope

There are some professional services which support the prime service provider. For example, nurses support doctors, dental technicians support dentists, draughtspersons support engineers and architects, and so on. The professional services which were considered are listed in Table 1, and the Members countries of CARICOM are listed in Table 2.

Table 1 – Professional Services

Construction Services <ul style="list-style-type: none">▪ Engineers▪ Architects▪ Land Surveyors▪ Quantity Surveyors▪ Building Contractors
Medical Services <ul style="list-style-type: none">▪ Doctors▪ Dentists
Financial/Legal Services <ul style="list-style-type: none">▪ Lawyers▪ Accountants

Table 2 – CARICOM Member Countries

Antigua and Barbuda
Bahamas
Barbados
Belize
Dominica
Grenada
Guyana
Haiti
Jamaica
Montserrat
Saint Lucia
St. Kitts and Nevis
St. Vincent and the Grenadines
Suriname
Trinidad and Tobago

2.0 OVERVIEW OF PROFESSIONAL SERVICES IN THE REGION

Professional services have been traded in the Caribbean for over 300 years, principally in the areas of law and health-care. With the opportunities for tertiary education becoming available to greater numbers of Caribbean nationals in England after the Second World War, and with the establishment of the University of the West Indies in 1962, the late 1960's saw a surge of Caribbean nationals trading in professional services in the Caribbean.

2.1 Registration of Professional Services

The number of persons trading in professional services led to government regulation of these services. The passage of legislation requiring professionals to be registered can be an indication of the numerical growth, and the perceived national importance, of the registered service. Generally, it appears that the legal and medical professions were regulated first, followed by engineering and accounting.

The registration acts were intended to protect the public from the sub-standard practise of professional services. However, they generally did not include provisions to check the standard of service provided. The Registration acts have essentially become part of the ritual for new entrants into the profession, and a revenue generating mechanism for governments.

2.2 High Standards of Professional Services

Before Caribbean countries became independent, the employment preference for many university graduates was the public sector, which generally resulted in adequate and reasonably well maintained social and physical infrastructure in Caribbean states. This was principally due to the adoption of international standards by the public service. This trend continued through the countries' independence. As an example, at least 6 chartered engineers, including at least 4 chartered structural engineers, were employed in the Ministry of Public Works in Barbados after Barbados gained its independence in 1966.

2.3 Declining Standards of Professional Services in the Public Sector

The 1970's saw the start of a shift in the preference of qualified graduates, from the public sector to the private sector, in those countries that had gained their independence in the 1960's. It also saw a decline in the technical standards within the public sector as those with international professional qualifications became fewer in number.

With the exception of some medical disciplines, the pursuit of internationally recognized professional qualifications was not generally being encouraged in the public sector, and by the end of the 1970's, there were few, if any, chartered professionals working in the public sector in independent countries. In Barbados, many Engineering posts were renamed Technical officer posts after the passage of the Engineers Registration Act in 1976, which made it illegal to fraudulently claim to be an Engineer. It was around this time that professionals started to form professional associations, and to lobby for the passage of registration acts to protect the public from the practice of professional services by unqualified persons.

In the Public service, when persons had internationally recognised professional qualifications, new entrants could expect to be adequately mentored to provide a relatively high standard of service. The loss of such internationally qualified persons in the civil service noticeably affected the quality and maintenance of Caribbean infrastructure.

2.4 Declining Standards of Professional Services in the Private Sector

The 70's also saw a growth of Caribbean firms with internationally qualified principals who provided the necessary training to new entrants. The 1980's saw this trend continue; however, the 1980's was generally defined worldwide as the decade of greed. This greed did not escape the Caribbean region as few companies providing professional services had any succession plans, and instead operated their companies like family businesses. Some employees departed and set up smaller operations before they were sufficiently mentored.

The early 1980's also saw economic difficulties for some Caribbean countries, particularly Guyana, Jamaica, Trinidad and Tobago, and Haiti, which lost many of their professionals through emigration. This had a significant impact on the social condition of those nations.

2.5 Social Impacts

Governments cannot provide all of the social services necessary for a nation's development. Significant contributions are made by voluntary organizations like Churches, parent-teacher associations, service and charity clubs, etc. Professionals generally contribute their time and money to these organizations, and some of them contribute to the education of the general public through their public comments.

The loss of a significant number of a nation's professionals, via emigration, can only have a significant negative effect upon the social fabric of those countries. The negative effects include elevated levels of crime, violence, corruption, and illiteracy.

2.6 The Last 20 Years

By the 1990's, there were few professionals becoming internationally qualified, even in the private sector. Some in the accounting and medical profession are notable exceptions. Many who started their own companies did not pursue international certification, and did they encourage their employees to do so. As an example, the following Table shows the dates of independence for some Caribbean countries and the number of Chartered Structural Engineer registered therein. It also provides a Caribbean comparison with other parts of the world.

Table 3 – Chartered Structural Engineers in Selected Countries

Country	Date of Independence	Approximate Population	No. Chartered Structural Engineers (2008-2009)
Haiti	1804	8,373,750	0
Trinidad & Tobago	1962	1,262,366	12
Jamaica	1962	2,607,632	6
Barbados	1966	250,010	8
Guyana	1966	751,223	0
Bahamas	1973	303,6111	1
Grenada	1974	102,632	0
Dominica	1978	69,625	0
Suriname	1975	492,829	0
St Lucia	1979	157,164	1
St Vincent & Grenadines	1979	109,022	0
Antigua & Barbuda	1981	77,426	1
Belize	1981	240,204	0
St Kitts & Nevis	1983	45,841	0
Anguilla	-	14,108	1
Montserrat	-	4,491	0
TOTAL CARIBBEAN		16.3 M	30
Canada	1867	30.0 M	196
Australia	1901	21.0 M	185
New Zealand	1907	4.3 M	82
South Africa	1910	45.1 M	271
India (Mumbai)	1947	13.9 M	22
Malaysia (Kuala Lumpur)	1957	7.2 M	28
Singapore	1965	4.8 M	170
United Arab Emirates	1971	4.8 M	97
China (Hong Kong)	1997	7.0 M	1,672

Source: Institution of Structural Engineers, Yearbook 2009. The Institution has approximately 23,000 members in 105 countries.

2.7 The Present

The number of companies currently offering the specified professional services listed in the CARICOM Member states is provided in Table 4.

Table 4 – Number of Companies Offering Professional Services in CARICOM

Country	No. Companies offering Professional Services									Population
	Construction					Medical		Law/ Finance		
	Engineers	Architects	Land Surveyors	Quantity Surveyors	Building contractors	Doctors (GP)	Dentists	Attorneys	Accountants	
Antigua & Barbuda	6	9	2	1	18	42	13	38	10	77,426
The Bahamas	12	64	5	1	74	27	35	115	39	303,611
Barbados	39	46	18	12	77	206	67	210	56	250,010
Belize	17	8					1	14		240,204
Dominica	6	7	5	1	6	12	55	15	10	69,625
Grenada	9	7	4	2	41	14	10	74	5	102,632
Guyana	1	5			1	1	11	16		751,223
Haiti		12			2	6		3		8,373,750
Jamaica	14	3	3	1	114	262	94	8	11	2,607,632
Montserrat	1	10			4	3	1	2		4,491
Saint Lucia	4	12	2	9	14	72	14	10	7	157,164
St. Kitts and Nevis	3	1	3	1	12	31	6	30	5	45,841
St. Vincent and the Grenadines	11	7	4	2	4	42	20	10	8	109,022
Suriname	17	12				169	19	6	10	492,829
Trinidad and Tobago	109	44	25	1	16	238	171	348	74	1,262,366

Source: Yellow Pages. Blank spaces means that no companies could be found.

To appreciate the information provided in the above table, the information is translated into numbers of companies per 100,000 people in the following table. Given the relatively wide range, it is challenging to determine an optimum number.

Table 5 – Number of Companies per 100,000 Population

Country	Engineers	Architects	Land Surveyors	Quantity Surveyors	Building Contractor	Doctors (GP)	Dentists	Attorneys	Accountants	Population
Antigua & Barbuda	8	12	3	1	23	54	17	49	13	77,426
The Bahamas	4	21	2	0	24	9	12	38	13	303,611
Barbados	16	18	7	5	31	82	27	84	22	250,010
Belize	7	3	0	0	0	0	0	6	2	240,204
Dominica	9	10	7	1	9	17	7	22	14	69,625
Grenada	9	7	4	2	40	14	10	72	5	102,632
Guyana	0	1	0	0	0	0	1	2	1	751,223
Haiti	0	0	0	0	0	0	0	0	0	8,373,750
Jamaica	1	0	0	0	4	10	4	0	0	2,607,632
Montserrat	22	223	0	0	89	67	22	45	134	4,491
Saint Lucia	3	8	1	6	9	46	9	6	4	157,164
St. Kitts & Nevis	7	2	7	2	26	68	13	65	11	45,841
St. Vincent & Grenadines	10	6	4	2	4	39	18	9	7	109,022
Suriname	3	2	0	0	0	34	4	1	2	492,829
Trinidad and Tobago	9	3	2	0	1	19	14	28	6	1,262,366

2.8 Supply of Professional Service Providers

The current primary and secondary school enrolment populations, as shown in Table 6, show that there is an adequate supply of candidates to complement and succeed the existing professionals, provided that proper encouragement is given.

Table 6 – Primary and Secondary School Enrolments

Country	Primary	Secondary	Population
Antigua & Barbuda	11,594	4,788	77,426
The Bahamas	34,199	27,970	303,611
Barbados	26,627	20,435	250,010
Belize	51,377	10,272	240,204
Dominica	12,627	6,500	69,625
Grenada	22,345	10,213	102,632
Guyana	102,000	62,043	751,223
Haiti	555,933	143,758	8,373,750
Jamaica	293,863	235,071	2,607,632

Montserrat	1,525	888	4,491
Saint Lucia	31,615	11,753	157,164
St. Kitts & Nevis	7,068	4,402	45,841
St. Vincent & Grenadines	21,347	10,719	109,022
Suriname	87,882	30,016	492,829
Trinidad & Tobago	181,030	100,278	1,262,366

Source: UNESCO

2.9 Demand for Professional Services

The demand for some professional services is generally dependent upon the state of the national economy in which they are to be offered. However, some professional services are more vulnerable than others. For example, essential medical services are generally less vulnerable to downturns in the national economy than construction services. A qualitative assessment of the vulnerability of each professional service to downturns in the national economy is provided in Table 5.

Table 7 - Vulnerability of Professional Services

Professional Services	Vulnerability
Construction Services	
Engineers	Vulnerable
Architects	Vulnerable
Land Surveyors	Vulnerable
Quantity Surveyors	Vulnerable
Building Contractors	Very Vulnerable
Medical Services	
Doctors	Not Vulnerable
Dentists	Not Vulnerable
Financial/Legal Services	
Lawyers	Not Vulnerable
Accountants	Less vulnerable

3.0 POLICY FRAMEWORK

Despite the challenges that a negative economic climate in one Member state may bring, the opportunities to trade in professional services around the region, and globally, appears likely to continue for the foreseeable future, even if such opportunities are temporarily limited in some states.

Professional service providers who perform their services in a sub-standard and/or mediocre level will normally not find repeat clients in that location. However, they risk branding other service providers as sub-standard by association. Therefore, in an environment with limited opportunities, the aim should not be to enable the delivery of sub-standard professional services, but to encourage their development.

In developing a strategic vision for professional services, the first issue that needs to be determined is the standard of these services. Once the standard has been identified, then it should be determined whether the current environment is conducive to the development and growth of the specified standard of professional services in the region. To do this, we shall examine a number of factors as described below. For this Concept Paper, it is assumed that the highest standard is the aim.

3.1 Human Resource Requirements - Education

There are a sufficient number of people within the educational system of each country to satisfy the demand should they choose to enter the professions. However, the typical university graduate appears to lack the basic fundamental mathematical skills necessary to perform the rigorous analysis necessary to perform professional services at a high standard.

The universities generally attribute this deficiency in their graduates to the quality of secondary school education. The Caribbean Examinations Council's reports show that the candidates' level of understanding Mathematics, and the subjects which rely on knowledge of mathematics, such as physics and accounting, is unacceptably low and declining. However, little attempt is made to effectively halt the decline, although the solutions are well known.

The quality of professional services appears to have declined in direct correlation to the decline in the understanding of fundamental mathematical skills in the early 1980's. This also appears to correlate well with significant changes to the region's educational systems.

3.1.1 Spiral Curriculum

American psychologist, Jerome Bruner, suggested an alternative way of teaching in 1960. The unverified assumptions upon which his theories were based did not restrain Caribbean governments from adopting his untested methods.

The primary school graduates, that were educated under the previous organic learning methods, were reportedly more articulate and functionally literate than many secondary school graduates under the current spiral curriculum. However, despite its failure for approximately 75% of students, and Bruner's criticism of his earlier work, Caribbean governments have persisted with its use.

3.1.2 Co-educational Secondary School Learning Environment

Co-educational learning was based on the unverified assumption that the only difference between males and females was sexual physiology. This has been proven to be false, and conclusively so with the development of Computed Tomography (CT) digital images (or CAT scans) in 1974, which showed completely different brain physiology of males and females during and after puberty. This reasonably explains the psychological studies which show that during and after puberty, females' can generally concentrate on more than one thing at a time, while males can generally concentrate on only one thing at any one time.

Puberty becomes the critical learning period for both sexes with the:

- novel attraction between sexes;
- advanced development of girls; and
- limited concentration of boys.

There are many non-science subjects that can be easily understood outside of the classroom; for example, English literature. However, the same cannot be said of science subjects like mathematics, physics, and chemistry. A single-sex classroom for science subjects can provide a more effective learning environment, especially for boys fascinated with the novel attractions brought on by puberty. The effects of puberty come to an end for most boys around 15 years of age. Therefore, a co-educational classroom environment should have little effect on learning in primary and tertiary school. However, it has a significant negative effect at the secondary school level, where puberty normally starts and ends.

In 1987, psychologist, David Keirse, developed a way of testing the 4 dominant personality types. This research explains why 25% of students typically have the personality directed discipline to do well within any learning environment. Only approximately 25% of students in the region perform well. Therefore, the failure of the current educational system in the Caribbean appears to be complete. In some secondary schools, the remaining 75% of secondary school students leave school with no certificate evidence of having attended – i.e. without passing any subjects. Despite these results, the co-educational learning environment continues.

3.1.3 Learning Styles

The 1990's saw the development and promotion of learning styles. Related research showed that because of the different styles of learning, a classroom of students typically retained:

- 10% of what they read;
- 20% of what they heard;
- 30% of what they saw;
- 50% of what they saw and heard;
- 70% of what they said; and
- 90% of what they said and did.

It was this practise of 'saying and doing' which was typical in Caribbean schools before the introduction of the recent untested methods. The current promotion of computers in secondary schools does facilitate the previous organic methods of

learning. However, it can also limit students to ‘seeing and hearing’, rather than the more effective ‘speaking and doing’.

3.1.4 Sub-standard University Degrees

The University of the West Indies is no longer offering a fully accredited engineering degree. Graduates must pursue further study in order to meet the minimum academic requirements for membership in the internationally recognized Chartered professional engineering bodies.

The accreditation problems with the University of Guyana’s engineering degrees appear to be a perennial problem that Caribbean governments appear unwilling to address.

3.2 Access to and use of technology

The software and hardware tools that can facilitate the provision of a high standard of professional service are economically available. Therefore, access is not the problem. There is a problem with the inefficient use of some of the tools, primarily due to unwillingness, on the part of the users, to learn more than the basic functions.

3.3 Legislation Framework

Legislation is in place for many professional services. However, there is little to no regulation or assessment of the standard of professional services performed. Table 8 identifies those CARICOM countries with legislation that requires the registration of professional service providers.

Table 8 – Countries with Legislation Requiring Professional’s Registration

Country	Professions							
	Construction				Medical		Financial/ Legal	
	Engineers	Architects	Land Surveyors	Quantity Surveyors	Doctors (GP)	Dentists	Attorneys	Accountants
Antigua & Barbuda	T	T	T	T	T	T	T	T
The Bahamas		R	R		R	R	R	R
Barbados	R	R	R	T	R	R	R	R
Belize	R	R	R		R	T	R	R
Dominica			R		R	R		R
Grenada								
Guyana			R		R	R		R
Haiti								
Jamaica	R	R	R		R	R	R	
Montserrat								
Saint Lucia								
St. Kitts and Nevis								
St. Vincent and the Grenadines								
Suriname								
Trinidad and Tobago	R	R			R	R	R	

R = Registration Act regulating one professional service.

T = Trade type Act regulating multiple professional services.

Blank spaces means that no legislation could be found.

3.4 Financing the Sector’s Needs

Most professionals can economically produce billable work with a computer and printer. Those in the medical profession are the exception, since they normally have to purchase relatively expensive medical equipment in order to diagnose and treat their patients.

Lending institutions normally require a track record of deposits before lending. This is an inadvertent control preventing some inexperienced persons from practising independently.

3.5 Fiscal Incentives

Financial incentives exist for exporting professional services in some countries. They include:

- lower corporation taxes; and
- zero rated Value Added Taxes on invoices.

These initiatives can improve the competitiveness and reduce the cost of some professional services.

3.6 Opportunities from Trade Agreements

With over US\$2B worth of investment in the Caribbean region annually, the Caribbean market can sustain all Caribbean based professionals.

There are limited opportunities for regional professional service providers participating in international trade agreements. The psychological quality branding has not yet developed in the Caribbean except with tourism services, which is primarily due to geography.

The Caribbean is still viewed as a place where a ‘laid back’ attitude can be expected of any locally provided service. This can change; however, it takes time to build an international reputation, which can develop into a national and regional quality brand, which can benefit other service providers by association.

The international trade agreements are expected to mostly, or exclusively, benefit the trading partners with the advantage of having international quality brands, with which their service providers benefit from a psychological association.

3.7 Institutional Requirements

3.7.1 Government’s Professional Staff

Government departments should insist that their professionals have internationally recognised professional (not just academic) qualifications. Most sub-standard work is performed out of ignorance - the required standard was simply not known. The standards are developed professional institutions, which is why membership in these learned societies is critical to knowing, and providing, high standards of service.

The Government's adoption of higher professional standards is expected to improve the quality of professional services performed by the private sector.

3.7.2 Government's Procurement Policies

Some Government procurement policies effectively exclude local companies from national projects. Such projects include: airports, sea-ports, marinas, hospitals, stadiums, highways, sewerage collection systems, and other large capital works projects.

The Construction industry involves several professional service providers, including: engineers, architects, draughts-persons, land surveyors, quantity surveyors, project managers, lawyers, valuers, estate agents, property managers, planners, and builders. To qualify to bid on these projects, some governments require consultants to have completed one similar project in the last 3 years. With relatively few of these projects in the Caribbean, most Caribbean companies would find it difficult to meet this requirement. It should be noted that these stringent requirements are not forced upon Caribbean governments by funding institutions.

4.0 CROSS-SECTORAL LINKAGES

Competitiveness is enhanced within and among sectors when professional services are provided at a known specified minimum standard. This discourages the practise of offering low fees and performing a commensurate sub-standard service. The performance of sub-standard services to lay-clients is typical where the regulatory agencies are effective.

5.0 CONSTRAINTS

There are several constraints to the development of high quality professional services sector in the Caribbean. Some are provided below.

5.1 Fear of Being Examined

Mass emigration of professionals to countries who have the demand and pay 2 to 3 times what is available in the Caribbean.

Caribbean based professionals appear to be reluctant to sit the qualifying examinations of internationally recognised professional bodies. They also appear reluctant to submit to the rigorous review audits of ISO 9001, which is required for engineering companies in the Netherlands, and which may be adopted by Suriname.

The problem appears to be a lack of confidence in what is understood. The less something is understood, the greater the fear and anxiety there is about being examined.

5.2 Peer Pressure

People generally support what is already popular because they fear being singled out for possible ridicule, even if they are correct.

The spiral curriculum and co-education were popular in the early 1970's and were quickly adopted, despite no evidence to show that they were effective. They are being maintained despite the evidence that they have failed approximately 75% of Caribbean students.

5.3 Persecution of Individual Service Providers

Professionals who are not aligned with a political party, and who develop a social conscience and comment publicly, can be persecuted by the offended political party.

5.4 Attraction of Higher Salaries

Caribbean professionals can earn 2 to 3 times in the USA, Canada, and the UK what they typically earn in the Caribbean. With the projected decline in the number of professionals in these developed countries, the demand for suitably qualified Caribbean professionals is expected to rise.

6.0 RECOMMENDATIONS

6.1 Policy Actions

1. Governments should allow single-sex classrooms for the teaching of all science subjects, and for non-science subjects where 75% of classroom students are under-performing.
2. Governments should critically review the effectiveness of the teaching methods introduced in the primary and secondary schools in the 60's and 70's given that the assumptions on which they were based are false.
3. Governments should specify that any university in their country can only offer fully accredited degrees in professional disciplines.

4. Governments should review their procurement policies which effectively disqualify their local companies with unreasonable pre-qualification standards.
5. Governments should allow fair competition in the procurement of services.
6. Governments should not misinterpret consultants' public comments of genuine concern as a threat to their position.
7. National service coalitions can look for and provide their members with procurement opportunities.
8. National service coalitions can facilitate their members' adoption of high standards.
9. National service coalitions can facilitate the national branding of professional services.

6.2 Data Gaps

1. The legislation regulating professional services in some countries has not been enacted.
2. The number of professionals practising in some CARICOM countries is unknown.

6.3 Legislative Changes

1. A single Professional Registration Act that covers all professions is recommended for those states without individual registration acts. The uncommon details can be placed in the schedules.
2. The registration act should specify adequate professional qualifications, and an effective quality assurance mechanism to check the standard of services performed.

7.0 CONCLUSIONS

It is suggested that a strategic vision for the professional services sector in the Caribbean include two important elements.

- The development of professionals who can provide professional services at the highest international standards.
- The branding of the Caribbean as a region where the professional standards of developed countries are routinely exceeded.

7.1 Development of Professionals

The development of persons with the capacity to provide a high standard of professional service, requires that they have an understanding of the analytical work that is necessary to provide such a service, and knowledge of high standards of service.

The fundamental mathematics upon which the analysis necessary for the provision of high standards of service is based, is taught in secondary schools, but it is not generally understood by the students.

The high professional standards are developed in international professional institutions. However, there is a general reluctance by Caribbean professionals to sit the qualifying membership examinations of these institutions.

7.2 Branding

Once an international standard of service has been achieved in a particular discipline, then if it is effectively promoted, then the country or region can become branded as a producer of quality. Other suppliers of services and goods can gain a psychological advantage in the marketplace by being associated with the quality brand. However, the same association can developed with negative branding.