

# **SMEs IN THE GLOBAL MARKET PLACE: THE IMPORTANCE OF SKILLS, KNOWLEDGE AND ORGANISATIONAL LEARNING**

**Lester Lloyd-Reason, Ashcroft International Business School, Anglia Polytechnic University, Cambridge**  
Telephone: 01223 316173, Email: [L.Lloyd-Reason@apu.ac.uk](mailto:L.Lloyd-Reason@apu.ac.uk)

**Terry Mughan, Ashcroft International Business School, Anglia Polytechnic University, Cambridge,**  
Telephone: 01223 316173, Email: [T.Mughan@apu.ac.uk](mailto:T.Mughan@apu.ac.uk)

**Leigh Sear, University of Durham Business School**  
Telephone: 0191 334 5440, Email: [Leigh.Sear@durham.ac.uk](mailto:Leigh.Sear@durham.ac.uk)

## **ABSTRACT**

This paper draws on the key findings and issues to emerge from an 18-month research project funded by the East of England Development Agency and carried out by Anglia Polytechnic University<sup>1</sup>. It involved a study of need and support for small and medium sized enterprises in the Eastern region in the internationalisation of their business operations.

The aim of the project was to identify successful aspects of international business planning, resource management, international networking, market intelligence gathering and global skills and knowledge development that can be made transferable across business sectors via training, educational, development and recruitment programmes.

A number of studies into related areas have recently been completed both within the region and nationally, and we have drawn upon these reports to help inform our findings. These studies have either been quantitative or qualitative whereas this study is rather rare in that it is both quantitative and qualitative. In this way we have been able to explore the underlying issues behind international activity to provide valuable insights into the company experience. In this paper we use these insights generated by our approach to identify a set of action programmes aimed to help better design and target the efforts of the business support agencies. In this way we seek to make policy interventions more appropriate to the company experience and thus more effective in supporting SMEs in the Eastern region in their international activities.

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<sup>1</sup> APU would like to acknowledge the assistance of the University of Luton at the quantitative stage of the project and the assistance of the Foundation for Small and Medium Enterprise Development, University of Durham at the qualitative stage of the project.

## BACKGROUND

This paper draws on the key findings and issues to emerge from an 18-month research project funded by the East of England Development Agency and carried out by Anglia Polytechnic University<sup>2</sup>. It involved a study of need and support for small and medium sized enterprises in the Eastern region in the internationalisation of their business operations.

The aim of the project was to identify successful aspects of international business planning, resource management, international networking, market intelligence gathering and global skills and knowledge development that can be made transferable across business sectors via training, educational, development and recruitment programmes.

There were four key stages of activity

- A large scale telephone survey of 1200 firms throughout the eastern region to provide a map of international activity within the region. The survey involved a stratified sample across sectors and geographical location to reflect the characteristics of the six counties of the eastern region.
- Face-to-face interviews with 80 firms on their premises lasting between 1 and 2 hours with either the owner-manager or the individual responsible for international action to gain insights into why and how firms become involved in international activity, and of course, why they sometimes do not, how they manage their international activity, what problems they encounter and where they go to find solutions.
- Face-to-face interviews with many of the key players within the business support community within the region.
- Analysis and review of the quantitative and qualitative data generated by these activities to identify policy implications and recommended action programmes aimed to help better design and target the efforts of the business support agencies and educational institutions in the East of England and build economic growth through international excellence

A number of studies into related areas have recently been completed both within the region and nationally, and we have drawn upon these reports to help inform our findings. (See resources section). These studies have either been quantitative or qualitative whereas this study is rather rare in that it is both quantitative and qualitative. In this way we have been able to explore the underlying issues behind international activity to provide valuable insights into the company experience. In this paper we use these insights generated by our approach to identify a set of policy implications aimed to help better design and target the efforts of the business support agencies. In this way we seek to make policy interventions more appropriate to the company experience and thus more effective in supporting SMEs in the Eastern region in their international activities.

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## THE QUANTITATIVE STUDY: METHODOLOGY

The mapping of international activity throughout the eastern region was achieved through a large scale telephone survey undertaken between June 2002 and August 2002. During this period 560 internationalised and 554 non-internationalised SMEs in the eastern region were interviewed. A further sample of 101 larger companies in the region were also interviewed as a control group.

Telephone interviewing technique was used to collect data because of the rapidity of data gathering, accuracy, and efficiency. The questionnaire was designed to determine the extent and nature of international activity within the Region. While this activity was explored in terms of penetration of international activity, etc, this paper focuses on the barriers and obstacles reported by executives. The questionnaire was fully structured, with response categories defined prior to the study informed by literature relevant to internationalisation. The questionnaire was pilot tested on a small number of respondents to ensure understandability prior to the main survey.

The sample frame used was obtained from Business Link and listed known exporters and non-exporters stratified by county and broad business area (primary, secondary and tertiary). The listings were a random sample of organisations but in the final event nearly all organisations recorded as exporters were approached during the survey. A target was set of an achieved sample of 550 organisations in each of the two categories of internationalised and non-internationalised. Samples of this size typically yield results accurate to within four to five percentage points according to statistical theory. A further sample of 101 larger internationalised organisations was also included in the study for comparison (250+ employees). The final sample turned out to be 554 non-internationalised, 560 internationalised and 101 larger companies. (See diagram 1 overleaf for a mapping of firms interviewed)

### Key findings from the quantitative study

- Almost as many internationalised firms are involved in importing (61%) as exporting (77%).
- Just under half of all internationalised firms are involved in two or more forms of international activity, e.g. exporters who also import.
- The two main reasons for not becoming involved in international activity are: i) lack of international opportunities in the particular sector and ii) 'benign' conditions in the domestic market.
- The most frequent mode of export was by house or agents (35%) followed by 'own sales office' (20%) and 'direct sales' (13%). If Internet, word of mouth and through current customers are added to the direct sales category this would then increase to 30%. This changes the interpretation considerably and challenges the traditional view that intermediaries are the most appropriate route to international markets for SMEs when considering market entry.
- The majority of experienced and inexperienced internationalised businesses self generate solutions to their problems (87%). Amongst exporters, networks of suppliers were used by 23% of firms interviewed and 31% said they used business support

organisations, mainly BusinessLink and the DTI (including TPUK). Just 5% of importers had used business support organisations.

## **THE QUALITATIVE STUDY: METHODOLOGY**

In phase two of the project, 80 companies were interviewed face-to-face on their own premises between December 2002 and June 2003. The interviews, which were undertaken by senior academics within the Business School, were semi-scripted and were recorded. In all cases the person interviewed was the strategic decision maker for international activity (usually the owner-manager). Each interview lasted for about one hour.

Building on the findings from the telephone survey, the purpose of the interviews was to obtain deeper data about company behaviour in international markets including managerial traits, skills and knowledge needs, problem-solving and their views of support services. The interview schedule included a mix of open questions where the interviewee was encouraged to talk about their motivations and experiences in their international activities, and closed questions concerning specific problem areas, where they looked to for support and their opinion on the effectiveness of support provided.

The sample of companies to be interviewed was selected from the larger sample on the basis of experience of international trade, skills and knowledge and the application of these to their international activities. The key consideration was not the volume of international activity, but rather how effective the application of their experiential learning had been in contributing to turnover generated from international activities. In this respect, mode of activity, geographical location and sector were regarded as secondary considerations. On this basis, the companies to be interviewed were classified in five bands as follows:

### **A: The Curious**

Have considered international activity, but have not yet taken action. Little awareness of available support.

### **B: The Frustrated**

Have previously been, or are occasionally involved in, international activity, but are no longer actively pursuing this, often due to negative experiences. Little awareness of available support.

### **C: The Tentative**

Have limited experience of international activity, have developed some skills but have some major problems looking for solutions. Some experience of available support.

## **D: The Enthusiastic**

Have considerable experience of international activity and are keen to grow this side of their business but are experiencing barriers to that growth. Have developed a range of skills but suspect that these need to be developed. Largely aware of available support with some experience, often positive.

## **E: The Successful**

Have extensive experience of international activity with some major successes. Very high skills and knowledge development, very aware of available support with a high degree of usage. Often aware of skills and knowledge gaps and very keen to improve effectiveness in international activity.

For the purposes of analysis, as indicated above, each interview was recorded and transcribed generating in excess of 2,800 pages of transcript. In addition, following the completion of each interview, a two page summary of the key points emerging from the interview was produced providing a further 150 pages of text. Finally, three closed questions providing tick box responses using the Lickert scale were used covering the international mindset of the interviewee, specific problems experienced and support providers used.

Data from 5 of the interviews was rejected as being unsuitable for our purposes and the analysis presented below is therefore based on data collected from 75 firms. Analysis of the qualitative data from the 2,800 pages of interview transcript, 150 pages of summary text and 75 tick boxes was undertaken using a dedicated software package, N6. The software uses word or phrase recognition and the text was coded down to three levels using four key categories:

Motivation: What is the motivations and drivers for international activity?  
Process: What form does this activity take and how does it impact on the firm?  
Problems: What are the key problems encountered?  
Where do they go to find solutions to these problems?

## **Key findings from the qualitative study**

- Planning (the way in which the firm plans its involvement in foreign markets), manning (the way the firm organises or develops its resources to service foreign markets) and scanning (the way in which the firm informs itself about those markets) are the areas of skills and knowledge required by all firms active in international markets.
- The configuration of these skills, and the support designed to improve them, varies according to experience, sector and size.
- All firms benefit from strategic planning and management development.
- All firms benefit from the development of international skills (foreign languages and/or intercultural awareness). It is the development of these skills within successful firms that facilitates the transfer of business acumen from domestic to international markets.
- Firms new to international activity (the Curious and the Frustrated) are very receptive to, and appreciative of, current support provision.

- Successful firms have specific skills and knowledge needs which are not all met by current provision.
- We identify an intermediate set of firms (the Tentative) whose international activity is static, who have lost the initial enthusiasm for international activity and who need tailored support which is not currently available
- Demand Transformation: There is a need to distinguish between what companies want and what they need. They want information, money and solutions to precise, small problems. They need to learn to plan, to broaden their management mindset and build better manning and scanning skills
- Skills and knowledge development for international trade takes place via the processes of exporting, importing, inward investment and international research arrangements.
- Best practice in firms often emanates from patterns of trading involving one or all of these elements.

## **SKILLS AND KNOWLEDGE**

The method adopted for this study has been to observe and record the behaviour of companies from a wide range of sectors and of varying size, age and international experience. We did not seek to squeeze these companies into a pre-conceived analytical framework but have attempted, in our analysis, to identify the variables in their composition, culture and context which have played a significant part in their progress, or otherwise. It was not our aim to locate the companies or their personnel on a scale of educational achievement, though we are able to make some general estimates of the relationship between performance and educational qualification of key personnel.

This analysis will therefore focus in the first instance on the skills and knowledge required by companies, in normal circumstances, to sustain successful performance in a competitive international trading environment. Some of these skills (general management) may apply equally to the domestic trading environment. Others (foreign language skills) may be specific to the international environment. Very importantly, and this is something we need to research further, we will discuss the nature of the transition from domestic trading to international trading from a skills and knowledge perspective, as it emerged from our study. Do all companies make this transition successfully, or is there something about the make-up of some that helps them do it better? In order to simplify the complexity of the issues surrounding skills and knowledge development, we conclude our analysis with an identification of skills and knowledge needs across the five categories of firm interviewed.

### **Skills**

According to the Cambridge Advanced Learner's Dictionary, a skill is:

an ability to do an activity or job well, especially because you have practised it.

Planning

The Planning skill-set poses serious challenges to the typical small and medium enterprise. Most companies came into existence not as a deliberated, rational response to a set of market conditions but in response to an opportunity or a passion. To ask such an organisation to adopt a strategic planning approach to foreign markets is therefore asking them to do something foreign. All of their personal and commercial history may even militate against the suggestion. They have built their persona around the value of being pragmatic, problem and sales-oriented and commercially astute. That is, at this point, strategy is driven by sales rather than the other way round. Indulging in abstract concepts and calculations about markets and competences seems to them to be the antithesis of business success. Even if they could see the case for it, it is usually not something they would see themselves as capable of. Most, when questioned, said that their reason for starting exporting was to respond to an opportunity. When these companies approach business support agencies it is not usually to ask for advice, but to ask for support or information to help them achieve something specific they have already resolved to do. In our study we found evidence of a transformation process at work. Good advice will not simply give them what they want. It will alert them to what they need and help them find a way to obtain it.

We therefore can distinguish between what companies want and what they need. They want information, money and solutions to precise, small problems. They need to learn to plan, to broaden their management mindset and build better manning and scanning skills.

#### Manning

Most of the companies we interviewed have limited resources with which they can develop their international trade ambitions. Some, however, often as a result of sound strategic planning, develop a clear idea of how they need to develop their material and human resources to make their international activities more profitable. This often involves investing in skills which are not critical to domestic business success, such as foreign language skills.

We found a close correlation between valuing foreign language use and sustained success in international trade. Successful companies value relationships and market intelligence and these are best cultivated and exploited by use of the language of your client and market. We also discovered a complex appreciation of foreign language use by successful companies. Good managers will see occasions on which they individually, or a member of their personnel, will profitably exhibit the ability to speak or write the foreign language.

We can say much the same about other skills needed to enact international trade well. The international company has to equip itself with the skills to dispatch the goods, satisfy customs and excise requirements and ensure customer satisfaction in a more complex transaction than most which apply in a domestic environment. It is however important to note the key role played by the owner-manager in this context. He/she has to provide the leadership and informed decision-making in this challenging environment. There is a strong body of literature that suggests that owner-managers with a strong international orientation tend to be more successful in the long term as they appreciate the need for new skills more quickly. The skills he/she possesses are therefore the critical ones and they need to be in place before any of the others can be developed or effectively deployed. In this respect, manning follows on from planning, which, as a process, needs to identify skills shortages and devise a plan to redress them.

## Scanning

Much export support has traditionally leapt straight to the process of scanning, bypassing the first two stages. Information about opportunities in a foreign market can be sufficient to create an exporting opportunity which a company will seek to exploit.

In a more competitive and strategic environment where the company first needs to assess its readiness and ability to export effectively and in a sustained manner, information about the foreign markets needs to be aligned in a more structured way with the company's plans. Information is not just about one-off opportunities, it is about market conditions, national regulations and competition. The successful companies we interviewed used the internet, trade fairs and exhibitions, personal relationships and networks and visits to the foreign market regularly and effectively to improve their decision-making and adjust their business strategy. Managers we observed who were successful at international trade tended to be people able to carry out these tasks with similar confidence and ease to what they show in the domestic market. Some, but not all, of these managers may have had previous experience of international trade. Others did not but simply felt comfortable in different environments and with foreign clients. The ability to read signals, solve problems, interpret data and understand clients in other cultures can be developed alongside or, in some case, independently of foreign language skills and some are more predisposed to it than others.

Here once again, the process of scanning needs to be seen, not just as an activity in itself, but as a part of a strategic approach towards international trade. The issue is not the obtaining of information, but the decision as to what information to look for and where to look for it. Answers to these questions should emerge from a strategic business plan. This does not preclude the possibility of a fortuitous order coming through the letterbox and proving to be the start of a successful exporting venture. The strategic plan will ask of the company and the owner-manager questions that will help him/her devise the tools and skills to take advantage of such an opportunity, to develop it and to apply it to other markets. In this way, the firm continues to behave opportunistically or entrepreneurially, but within a more strategic framework so that international activity becomes targeted rather than ad hoc.

## Knowledge

Whilst the concept of skills currently carries a great deal of significance in economic and educational strategy in the UK at the moment, it is probably correct to say that the concept of knowledge has even greater import within the context of global economic and corporate competitiveness. As a concept, it is less easily grasped than is the notion of a skill. It takes many more forms, is less easy to quantify and to isolate in its manifestations in daily life. This quality has made of it something of a holy grail in contemporary management theory. As Holden<sup>3</sup> points out, 'It can be shared, in principle, universally. (Alternatively..) it can be forgotten and not used.' The operating assumption for many theorists and corporate leaders is that much of the knowledge that makes a critical contribution to the modern organisation is tacit, i.e. we do not necessarily know we are using it in our daily decision-making. It is therefore particularly difficult to analyse and exploit as it is sometimes conscious and sometimes unconscious. According to the Cambridge Advanced Learner's Dictionary, knowledge is

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<sup>3</sup> Holden N. Cross-cultural Management: A Knowledge Management Perspective. Financial Times Prentice hall, 2002

understanding of or information about a subject which has been obtained by experience or study, and which is either in a person's mind or possessed by people generally.

### Planning

As already acknowledged, the process of strategic planning is a rather vague, abstract concept. It involves the assembling of data from the past and observations about current trends in an attempt to prepare the company for the future. It is no surprise that these predictions often turn out to be wrong, no matter how good the data was or the intellectual ability of the planners.

Nonetheless, planning has a number of benefits. The process of planning:

- increases the familiarity of the planner with the business and the market
- it forces the planner to consider and reflect on a variety of possible scenarios
- it puts the planner into a position of informed readiness to confront emerging realities

These are all very valuable experiences for anybody who has to deal with the international environment, where political events, natural catastrophes or mergers and acquisitions can overnight change the competitive position of your company in a foreign market. Clearly, planning is a demanding process and it is no surprise that, where declared in our study, all the individuals responsible for exporting in successful companies were educated to at least A level standard, with a good number having at least a degree. Conversely, the Tentative companies, who we found generally to have stagnated in their international operations had a poor record here. The majority were educated just to GCSE level or equivalent.

### Manning

Once a business strategy has been defined, the resources and skills of the company have to be aligned with it and the target markets. This process requires a sound knowledge of both the company and its markets. When these markets are overseas, the data on them is inevitably distant and complex. The owner/manager needs to ensure the quality of the data and its application to the company's operations. Our research found that whilst the Curious and the Successful companies were attentive to this issue, once again the Tentative companies lacked commitment to it. 80% of Curious companies and 72% of successful companies possessed foreign language skills but only 23% of Tentative companies did.

The flow of knowledge about clients and the market to the company that is facilitated by foreign language skills and other examples of commitment to and experience of the foreign market becomes a critical tool in the company's attempts to sustain and improve its performance there. This knowledge is present in the individuals who work in and for the company (including distributors) and a key management task is to help facilitate the flow of this information through the management process.

### Scanning

Knowledge about foreign markets usually resides primarily in the owner/manager (or the sales manager) who goes there and liaises with clients. The quality of the data obtained will depend on the quality of the relationships he/she can build with the market. Here, as earlier, we can identify skills which help obtain that data. Equally important, however, is the flow of information from the owner/manager to other stakeholders. This process has to be managed if the data is to have meaning beyond the owner/manager. On a mundane level, the expense of sending personnel to overseas markets can be expensive but savings and benefits can be obtained if information about travel, customs or expectations are passed

on. On a more critical level, what might appear on the surface to be unimportant information to the owner/manager about a particular client can become invaluable information in the hands of the Finance Director or the Production Manager. Once again, obtaining data is only half the task. Knowing what to do with it is equally important.

## Skills and Knowledge Needs

In the discussion above we have attempted to examine some of the key issues surrounding skills and knowledge development through an examination of the key role these play in building the ability to compete effectively in international markets. In order to summarise these complex issues, in the Tables below we identify the skills and knowledge needs of the firms interviewed across the five categories.

### Table 1 Skills and Knowledge Needs: The Curious and Frustrated

<p><b>The Curious and The Frustrated</b></p> <p>Inactivity in international markets is largely due to the lack of perceived international market opportunities (no pull factor) and generally benign domestic conditions (no push factor)</p> <p>Key questions facing these two groups:</p> <p><b>Planning:</b> Do we really want to grow the business through international activity?</p> <p><b>Manning:</b> If so, do we have the skills and resources to achieve this objective? If not how do we fill the skills and resource gaps?</p> <p><b>Scanning:</b> How do we find out if there is a potential international market for our products?</p> <p><b>Skills and Knowledge needs</b></p>
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### **Planning**

- How to build a business plan
- How to map course of actions and learn basic process
- How to anticipate the consequences of the decision to go international
- How to identify the actual costs associated with new market development
- How to evaluate company response to export opportunities

### **Manning**

- How to assess strengths and weaknesses of resources
- How to obtain extra resources, where necessary
- How to approach support agencies
- How to manage doing business in a foreign language
- How to modify products to meet market needs better
- How to process orders
- How to plan market visits and trade fair strategy

### **Scanning**

- How to find out about potential market opportunities
- How to assess competitive position in selected markets
- How to identify where and when problems with foreign languages occur
- How to identify potential partners
- How to triangulate market intelligence sources
- How to find out about market regulations that affect market development
- How to find the type of information and/or contacts to comply effectively
- How to identify and approach support agencies

## **Table 2: Skills and Knowledge Needs: The Tentative and Enthusiastic**

### **The Tentative and The Enthusiastic**

The Tentative: Little ability to self analyse. Have discovered that international trading is complex and challenging and have lost their initial enthusiasm. Perceive problems to be largely external to the firm and largely expect support agencies to solve them on their behalf.

The Enthusiastic: Understand complexity of international trading environment and perceive the critical challenge to be (in)ability to compete effectively. I.E. understand the key problems are internal rather than external. Much more receptive to support agencies than the Tentative.

Key questions facing these groups:

**Planning:** Are we committed to international activity? Do we need to revisit our business objectives? Are we being strategic enough in the way we deal with our international markets and customers? How can we develop more established guidelines and procedures?

**Manning:** How do we identify our skills gaps? How do we acquire/develop dedicated resources? How do we find and assess appropriate support?

**Scanning:** How can learn to understand the differences between markets and how to manage those differences? How do we evaluate market opportunities?

<b>Skills and Knowledge needs</b>
<p><b>Planning</b></p> <ul style="list-style-type: none"> <li>▪ How to develop more established guidelines and procedures</li> <li>▪ How to identify processes by which to evaluate current international activity</li> </ul> <p><b>Manning</b></p> <ul style="list-style-type: none"> <li>▪ How to affirm market operations and negotiate changes, if necessary</li> <li>▪ How to identify the appropriate type of market presence</li> <li>▪ How to undertake an audit of skills and resources</li> <li>▪ How to move towards a geo-centric HR strategy</li> <li>▪ How to understand the differences between markets and how to manage them</li> </ul> <p><b>Scanning</b></p> <ul style="list-style-type: none"> <li>▪ How to service the needs of current international customers</li> <li>▪ How to identify new market opportunities</li> <li>▪ How to develop a framework for new market development</li> <li>▪ How to find and assess the most appropriate type of support</li> </ul>

**Table 3: Skills and Knowledge Needs: The Successful**

<b>The Successful</b>
<p>Have a number of strengths: Internal – high level skills development; External - strong products and well established markets. Understand the key to success is their ability to manage an increasingly complex and challenging international business environment.</p> <p>Key questions facing this group:</p> <p><b>Planning:</b> How do we control the new market development process? How do we influence key stakeholders? How do we manage/influence support?</p> <p><b>Manning:</b> How do we acquire dedicated resources for key markets? How do we develop specific higher level skills?</p> <p><b>Scanning:</b> How do we service customer needs at distance? How do we ensure appropriate local presence?</p>
<b>Skills and Knowledge needs</b>

**Planning**

- How to control the new market development process
- How to influence key stakeholders
- How to develop a strategic approach to effectively establishing a local presence
- How to manage/influence support

**Manning**

- How to identify and develop specific skills
- How to build a tighter international team
- How to acquire dedicated resources for key markets
- How to assess support in the new market development process

**Scanning**

- How to develop client relationship management systems, particularly the management of client relationships at distance
- How to use cultural differences to benefit the business

## RECOMMENDED ACTION PROGRAMMES

Our objective in undertaking this project has been to help build a stock of firms in the Eastern region capable of competing effectively in international markets. We have aimed to do this through identifying successful aspects of international business planning, resource management, international networking, market intelligence gathering and global skills and knowledge development that can be made transferable across business sectors via training, educational, development and recruitment programmes.

The firms interviewed during the course of this research have provided us with a clear message as to their skills and learning needs with respect to their international activity as identified above. We now present a set of targeted policy initiatives aimed at both addressing the skills gaps identified by the firms interviewed and building upon current skills and learning to assist firms throughout the Eastern region become more effective in their international trading activities.

It is important to note that the majority of the actions suggested below would have the Curious, Frustrated, Tentative and Enthusiastic groups as their primary targets, and a clear aim of these actions would be to facilitate the transfer of knowledge from the Successful. Any action programme would however need to recognise that the Successful also have skills and knowledge requirements which need support and development. A number of firms from this group have expressed a particular interest in management development programmes of an advanced standard to improve their skills levels and the opportunity to take part in workshops with other successful firms to discuss problem issues.

- **BEST PRACTICE GUIDES**  
High quality brochures focussing on examples of best practice in the region containing diagnostic tools. These could include: 'How to' guides to provide simple process understanding, written/on-line case studies from successful firms within the region, problems solving techniques and a directory of support agencies.
- **INTERNATIONAL SME MANAGER DEVELOPMENT**

Flexible courses with optional accreditation focusing on the Planning, Manning and Scanning skills needs as identified.

- **INTERNATIONAL PARTNERSHIP PROGRAMME**  
A region wide scheme facilitating international network building and market development, possibly keyed in to research and innovation projects such as the 6<sup>th</sup> Framework and Teaching Company Schemes.
- **INTERNATIONAL MENTORING PROGRAMME**  
There are two possible models here. One would bring high-quality graduates (viz STEP) into SMEs to supply resources and knowledge advantage. The other has a business-to-business dimension which could be mediated by the International Trade Advisers. A pilot scheme, GRADEX is currently running with the support of EEDA/AUEE.
- **WORKSHOP PROGRAMMES**  
To bring together small groups of managers of international SMEs to share common problems and to develop solutions. These could be devised in consultation with Trade Partners UK to ensure that provision is properly targeted to complement existing programmes. Funding for these could be sought from BusinessLink or the Learning and Skills Council.
- **TRACKER STUDY**  
A study with a five-year time frame to track 50 firms throughout the region as they undertake their international activities. This would allow rich insights into the skills and learning needs of international firms as they manage the international process, which in turn would help in the development of targeted policy interventions.
- **PASSPORT PLUS**  
The Passport to Export programme has been of benefit to many firms interviewed for this study and will continue to assist the Curious and the Frustrated to become involved in international activity. The focus for this project has been to assist the Eastern region in the objective of building a stock of world class firms capable of competing effectively in international markets. In order to help achieve this objective we would recommend the development of a 'Passport Plus' programme targeted at the Tentative and the Enthusiastic to help improve their ability to compete in international markets. If one of the regional objectives is to improve the competitiveness of firms in their international activity, and hence increase GDP within the region, our research overwhelmingly suggests that it is the Tentative and Enthusiastic groups which offer the opportunity to make the biggest impact within the Eastern region.

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