

E-EMPORIO

Increase SMEs export skills through e-learning

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TITLE

WP2 Research and Analysis

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1. Introduction:

The field research of our project was conducted in the **period** 10/02/2014 – 25/03/2014.

A variety of organizations and individuals were contacted, summing to the **number** of 75 SME's staff willing to engage in exporting activities and unemployed willing to start an export oriented enterprise, and also 3 experts. In more detail, they were contacted 3 experts from three different Chambers of Commerce and Industry (Cyprus, Nicosia and Famagusta), 12 unemployed individuals that are willing to start export oriented enterprises, and 63 workers from 50 different organizations.

The **method of communication and way of completing the questionnaires** varies for each individual. The methods used were mainly through a combination of email and telephone contact. We have also contacted individuals through the Nicosia Chamber of Commerce and Industry and also through the electronic newsletter of the biggest business magazine in Cyprus ("INBUSSINESS magazine"). The **methodology** used for the **interviews** was mainly through telephone and in some occasions, personal ones.

There were no major problems occurred for the whole procedure. The only issues which were found, were the communication and scheduling the interviews with the individuals.

2. Characteristics of the sample

In this survey, 12 unemployed individuals - 4 male and 8 female - and 63 workers - 35 male and 28 female - from 50 different organizations have participated. In detail they were:

- 23 individuals working in organizations that are already exporting,
- 37 working in organizations that are willing / want to start exporting,
- 5 working in organizations and they want to begin an exporting enterprise for themselves,
- 2 working in organizations that already exports and they want to start their own exporting enterprise,
- In total there are 19 individuals (unemployed and worker) who are willing to start their own exporting enterprise.

The organizations of the individuals that responded to the interviews and also the sectors of the individuals that want to start their own exporting enterprise were from a variety of sectors. Some of those sectors, and their relevant main products for exporting, are cafe, supermarket, ice cream, bed mattress, paper products, irrigation systems, audit and law services, touristic services and many others.

The mean number of employees of all the participating organizations is 33, with the smallest number of employees being 2 and the largest being 250.

The average years of exporting of the organizations that already export are 8.5 years, with 2 years being the less time for exporting and 20 years being the most.

The majority of the responses under the Question "To which countries you have (or you wish to have) exporting activities", were Greece and the neighbouring countries as the main exporting destinations, mainly due to shipping costs. It was also noticed a number of responses that stated that they want to start exporting activities through e-commerce.

The main exporting channels that the organizations have or they want to have are "Directly to the wholesalers abroad" (44 selections) and "Directly to the customers abroad" (39 selections).

The main barrier for entering a foreign market it is thought to be firstly the "Legal Issues" (56 selections) and the "Lack of financial support" (44 selections), followed by "Knowledge of the foreign market" (23 selections) and "Lack of foreign export skills in SME staff" (18 selections).

Regarding the experts, there were three participants, the Director of Trade and Services of Cyprus Chamber of Commerce and Industry, the Director of Industry of the Nicosia Chamber of Commerce and Industry and the General Director of the Famagusta Chamber of Commerce and Industry.

3. Training

3.1 Limitations of the existing training material

Only seven (7) of the participants stated that they have participated in an export-related training, which was mainly organized by the Cypriot Chamber of Commerce and Industry and some private organizations/consultants. The respondents to this question evaluated the courses as very helpful and interesting due to the content of the training and the experience of the trainers.

The responses of the experts regarding “The limitations of the training that is currently available regarding exports” is that the available means for training in exports are very limited. There are some trainings organised by the local Chambers, as well as the Cyprus CCI, and also some trainings organised by exporting firms and exporting consultants, but not in a big scale. There is constant information regarding regulations and changes in export but not a lot of organised trainings.

3.2 Training Needs

The first five topics that the participants mostly need knowledge for, are the following:

#	Statement	Score
1.	The foreign trade documents and certificates	242
2.	Pricing	166
3.	Business Planning in a Foreign Market	138
4.	Logistics and transportation	124
5.	Payments, terms and transport obligations	118

The expert’s opinion regarding the main training needs in the sector and the topics the SME staff has a lack of skills are the following:

#	Training needs
1.	Export marketing
2.	Design and implementation of export action plans
3.	Participation in International shows and other promotions
4.	Packaging etc.
5.	Delivery Terms (INCOTERMS)
6.	Terms of Payment
7.	Distribution Networks
8.	Customs & Tax Issues
9.	Electronic Customs

10.	Packaging & Labelling products
11.	Pricing Policy
12.	Export Marketing & Elaboration of Market Research
13.	Participation in Exhibitions & Missions
14.	Intercultural Communication & International Customer Service
15.	Health & Safety

The main problems in exports which are related with the skills of the SME's staff and could be improved through training, based on the responses of the experts are:

#	Training needs
1.	Networking of the executives
2.	Dissemination of successful methods and dealing with exports troubles
3.	Use of technology
4.	Communication issues
5.	Knowledge of the tax and duty system in other countries
6.	Internation Trade terms
7.	Health and safety issues
8.	Marketing issues
9.	Legal issues

3.3 Learning Methods/ Pedagogies

The first five topics that the participants mostly indicated as learning methods they prefer to see in e-learning course are the below:

#	Statement	Score
1.	Best Practices/ Success Stories	275
2.	Templates to follow	211
3.	Real life examples	186
4.	Guidelines	181
5.	Interactive Exercises	132

The expert's opinion regarding the learning materials that should be included and how they should be presented in order to have an effective e-learning course are similar to the responses of the participants. The experts state that best practices and success stories are best learning materials for the participants, followed by the regulations, demands and guidelines regarding exports.

3.4 Added value of the E-EMPORIO course

The vast majority of the participants stated that an e-learning training course will help the participants and their organizations to improve their exporting skills. Also, it is believed to be a very good method to fill their gaps in exporting competencies. An e-learning course should be different from the traditional methods of training in order to achieve the expected results. It should be easy, understandable and immediate to the participant, but also advanced and accessible. New skills and knowledge should be offered by the e-learning course, with information from as many countries as possible.

Experts stated that an e-learning course could have an added value in comparison with the courses that are available by providing skills and knowledges different from them, updated and original ones. Also the creation of a platform, where participants from all the organizations participating in the e-learning course can communicate and exchange experiences, is another added value. Another important added value is that the e-learning course is provided in the free time of each individual, and the participant is not forced to leave his /hers job to get trained.

3.5 Specific training needs for the partner countries

The majority of the participants wanted to know the legal framework of the partner countries, as well as networking details with chambers and other organisations. Moreover the tax system and the importing agreements with Cyprus is something that interests a lot of participants for the partner countries. Some of the participants would like to know more things about the culture and the customs of the partner countries in order to check the possibilities for exporting their goods and services.

3.6 Future Trends

The export skills that are foreseen by the experts to be very much needed in the future are the ones related with the web and social networking, exploiting these means but also get protected from them. Moreover the knowledge of new, non-typical languages and networking in new, non-traditional markets will be another future export skill.

4. ICT and Language skills

There were only five (5) individuals who ever took part in an e-learning course, in subjects like “Simplicity in Exports” and “Exports to China – EU SME Centre”.

All the participants of the research stated that they are able to follow a course through the Internet; they all know English and they are able to follow a course in English.

The main statements regarding “What would help the participants to follow successfully a course through the Internet”, that were found after the coding of the participants statements are:

- Duration of the course
- Time of the course, availability after working hours
- The course should be in Greek or in English
- Well structured course with a lot of examples, videos and case studies

5. Conclusions

Even though Cyprus is facing a considerable crisis period, there are a lot of people and organizations who are willing to start exporting their services and goods. The main exporting destinations are Greece and UK due to cultural reasons as well as the neighbouring countries because of ease and cheaper exports costs than other destinations.

The main exporting channels observed from the research are directly to wholesalers and customers abroad, and the main barrier for entering a foreign market are the legal issues and the lack of financial support.

Regarding training, there were a small number of people who have already participated in export related training due to the fact that there are not a lot of available offers for exports-focus training programs. The main training needs observed are the foreign trade documents and certificates, pricing, business planning in a Foreign Market and Logistics and transportation, responses that was stated by the participants and the experts. The problems in exporting based on SME staff skills that could be improved are the Networking of the executives and the Dissemination of successful methods and dealing with exports troubles, and the methods suggested to see in e-learning are mainly best practises and templates to follow.

Participants and experts majority stated that an e-learning course will be very helpful to increase their knowledge in export, due to the fact that it will be on their own available time and it is something pioneering. An e-learning course should be easy, accessible, immediate to the participant, but also not very long.

The interest for the participant countries is not that high, with the only interested to be in Greece, mainly because of their neighbouring character. The main interest is in the tax system and the importing agreements but also about the culture and the customs. The future trends foreseen are web and social networking and their exploitation.

Finally, only five (5) of the participants took part in an e-learning course and all the participants stated that they know English and they are ready and interested to follow an e-learning course.