

## **E-EMPORIO**

*Increase SMEs export skills through e-learning*

LLP-LdV/TOI/2013/RO/012

### **FIELD RESEARCH IN ROMANIA**

#### **WP2 – Research and Analysis**

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## 1. Introduction

The field research in Romania was conducted in the period 05.03.2014 – 31.03.2014. A number of 77 persons responded to our questionnaires, out of which 59 employees from SMEs, 12 unemployed and 6 experts.

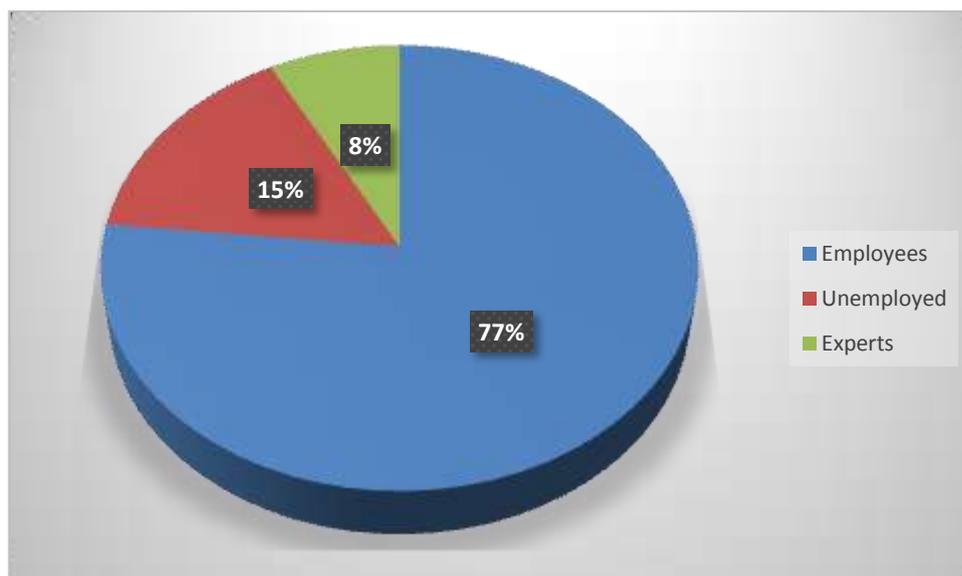
The respondents were reached using 3 channels: via direct e-mails, via CNIPMMR's on-line portal,

[www.immromania.ro](http://www.immromania.ro) ([http://www.immromania.ro/noutati\\_detalii.php?id\\_stire=7688&txt\\_cauta=in%20domeniul%20exporturilor](http://www.immromania.ro/noutati_detalii.php?id_stire=7688&txt_cauta=in%20domeniul%20exporturilor)) or via phone. The questionnaires for employees and unemployed were filled in online and received by e-mail, and there were organized 6 face-to-face interviews with the experts.

The questionnaire was used to collect respondents' opinions, therefore the analysis is the result of people's perception on the investigated topics.

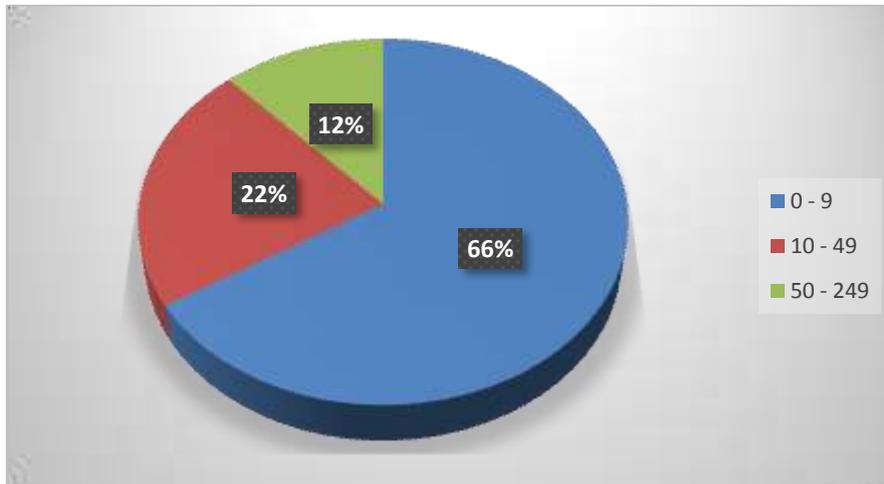
## 2. Characteristics of the sample

The survey about the training needs in exports has been conducted by questioning a sample of **77 persons**. The distribution of questionnaires according to respondents' type shows that there were **59 employees** from SMEs, **12 unemployed** and **6 experts** participating in the field research (figure 1).



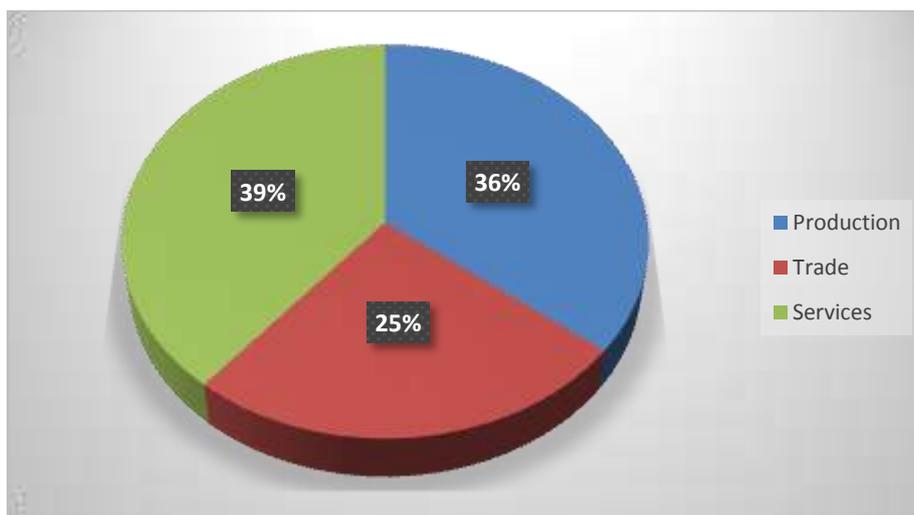
*Figure 1 - Sample structure subject to type of respondents*

The employees participating to our survey come from SMEs from all fields of business activity, organizational structure, age categories and development regions. Whereas SMEs' dimension, as one may notice in figure 2, **micro – enterprises stand for 66% of the total number of SMEs under investigation (39 companies), small companies weigh 22% (13 companies), and medium – sized ones hold a percentage of 12% (7 companies).**



**Figure 2 - Sample structure subject to SMEs' dimension**

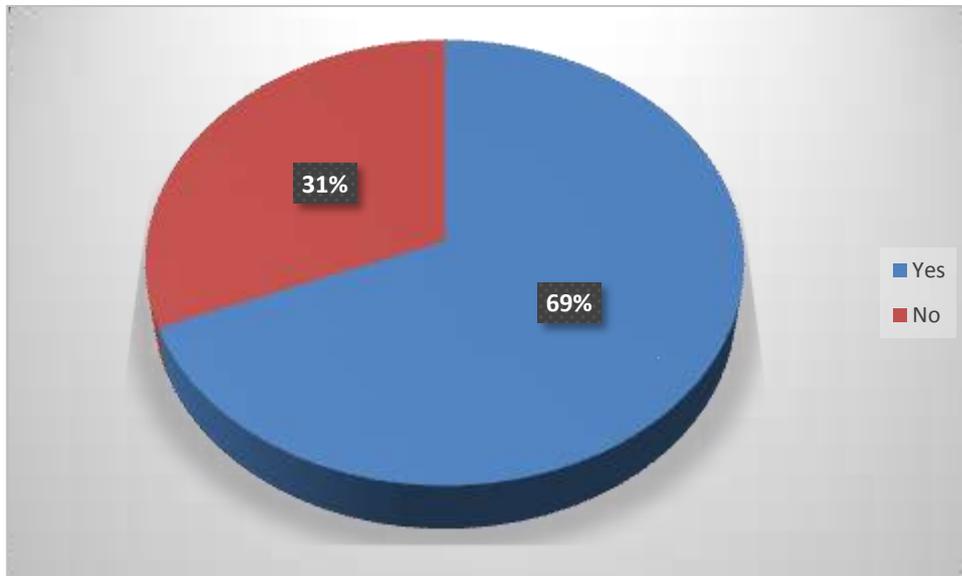
The enterprises where the investigated employees are working are operating in various fields of activity, such as: certification and training, construction, consultancy for business and management, automation, financial services, food industry, consultancy, engineering, textile, R&D, construction, trade, installations, development of software products, tourism, marketing and others. To centralize these areas (figure 3), we can say that **39% of SMEs come from the services sector (23 companies), 36% from production and industry sectors (21 companies) and 25% from trade (15 companies).**



**Figure 3 - Sample structure subject to SMEs' fields of activity**

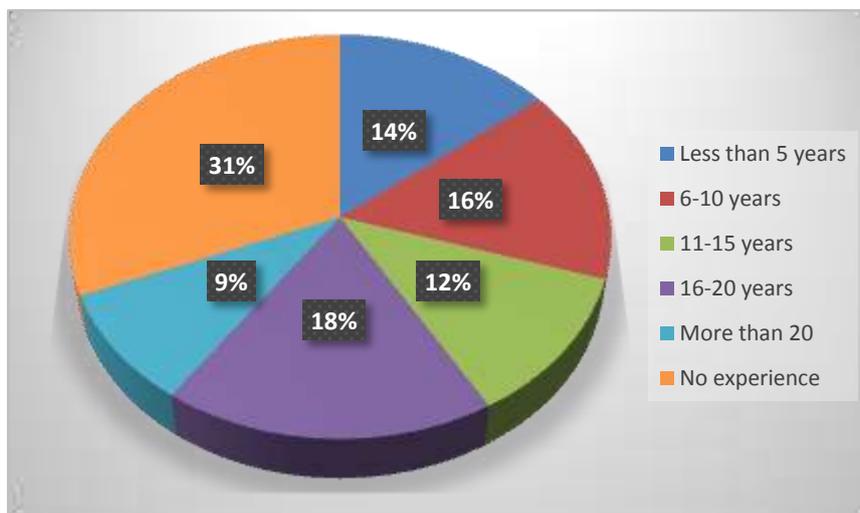
The investigated experts are university professors.

As one can see from figure 4, **69%** of the respondents are **already involved in exporting activities (53 persons)**, while **31%** have **no experience** on this kind of activities (**24 persons**).



**Figure 4 - Sample structure subject to participation in exporting activities**

Regarding the **number of years of experience in exporting activity**, as mentioned previously **24 of the respondents (31%) have no experience**, but expressed their willingness to learn about and start such activities. As for the experienced respondents (**53 persons – 69%**), **18% (14 persons) have between 16-20 years of experience**, **16% (12 persons) – between 6 – 10 years of experience**, **14% (11 persons) have less than 5 years of experience**, **12% (9 persons) have between 11 to 15 years of experience** and **only 9% (7 persons) have more than 20 years of experience** in exporting activities (figure 5).



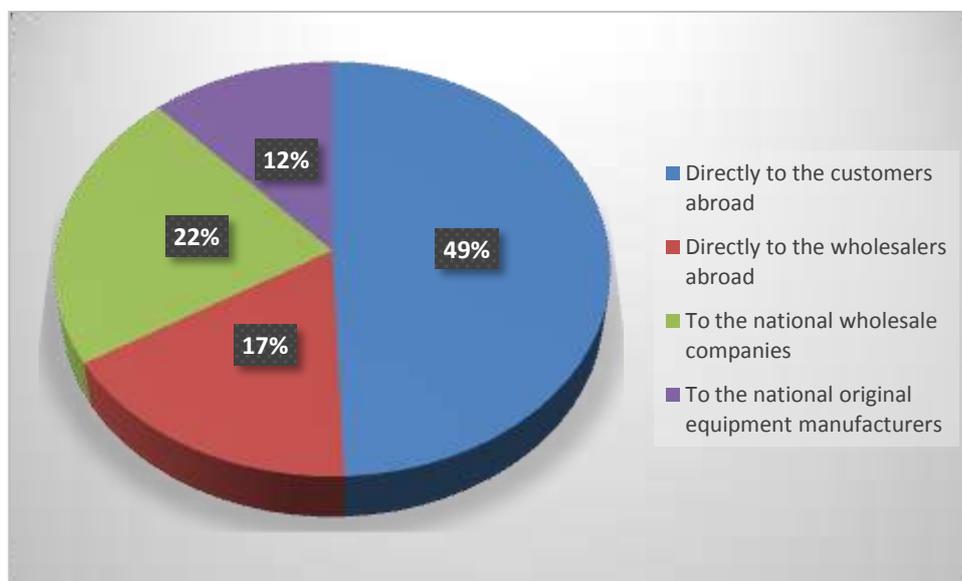
**Figure 5 - Sample structure subject to number of years of experience**

Regarding the **countries to which these companies are exporting**, the most commonly identified are: **Germany, Italy and neighboring countries (Bulgaria, Ukraine, Hungary and Republic of Moldova)**. There is also a number of other countries where respondents are exporting their products and services, such as: **Belgium, Greece, France, USA, Switzerland, UK, Egypt, Iran, Syria, Norway, China, Austria, Spain and Montenegro**.

The respondents with no exporting activities also expressed their opinions about the countries to which they wish to export, and their answers are very similar to the previous ones, meaning that respondents prefer neighboring countries and other countries in the EU.

In terms of the **main products exported or to be exported**, these are: **services, construction equipment and materials, software products, equipment and solutions, clothing, industrial products and raw materials, X-ray and video equipment, food and drinks, car pieces and equipment, different services etc.**

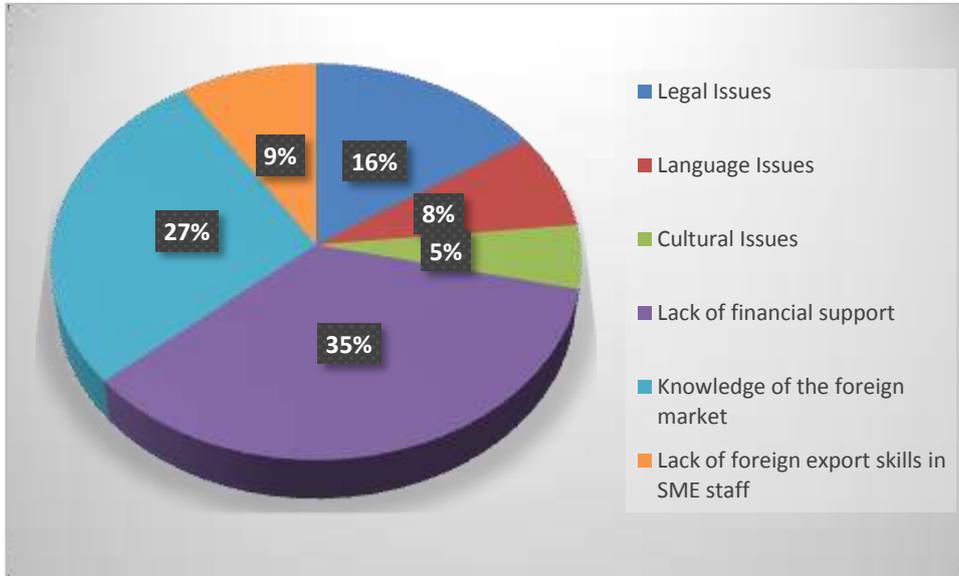
As for **the main existent or foreseen exporting channels**(figure 6), the highest percentage is held by the **direct sales to the costumers abroad(49% - 38 persons)**, followed by **exporting through the national wholesale companies (22% - 17 persons)**, **directly to the wholesalers abroad (17% - 13 persons)** and **selling through the national original equipment manufacturers (12% - 9 respondents)**.



**Figure 6 - Main exporting channels**

In terms of **the main barrier for entering a foreign market**, most of the participants to our survey identified as the major obstacle **the lack of financial support (35% - 27 persons)**. **27% of the respondents (21 persons)** consider **the lack of knowledge of the foreign market**

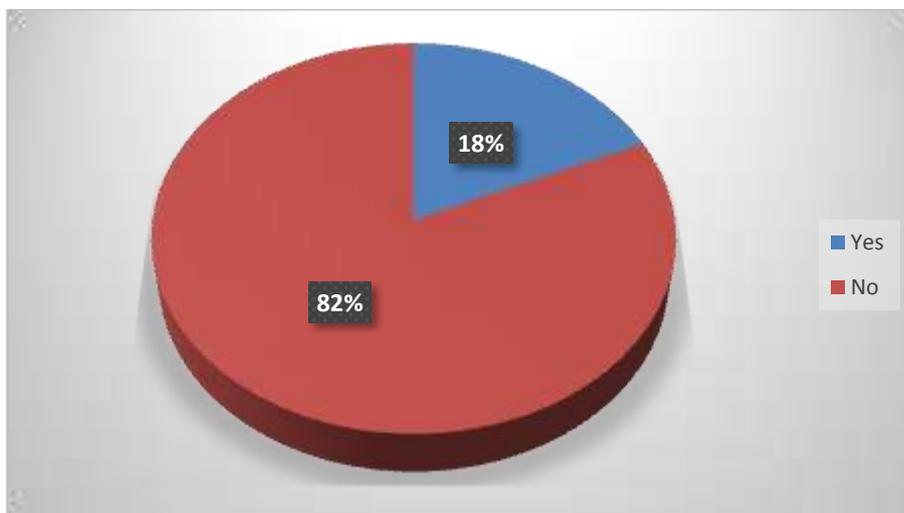
as a major barrier, **16% (12 persons)** consider **the legal issues** as the major obstacle, **9% (7 persons)** think that **the lack of foreign export skills** can hinder exporting activities, **8% (6 persons)** are concerned about **the language issues** and only **5% (4 persons)** consider **the cultural issues** as a major obstacle to entering a foreign market (figure 7).



**Figure 7 - Main barrier for entering a foreign market**

### 3. Limitations of the existing training material

The results of our survey show that a very small weight of the respondents participated in training activities related to exports. **Only 18%**, namely **13 persons** out of the 71 employees and unemployed **participated in trainings**, while **82% (58 persons)** had **no training experiences** in this area (figure 8).



**Figure 8 - Participation in export related training**

Almost all training programs were organized by private companies and only one respondent participated in a training program organized by a Chamber of Commerce.

These training courses were generally evaluated as useful, but not very relevant for the practice of exporting activities. There is, according to respondents, a very scarce offer in terms of topics for training on subjects related specifically to the area of exports (export operations, knowledge about foreign markets, how to identify the proper market, how to make products and services more competitive, how to make a contract with a foreign company, how to avoid legislation problems etc.). People are more interested in the practical aspects of exporting activities, not on the theory, which is still the major part of existing training.

The experts from our survey also identified as the major limitation the very poor offer of training related to exports. Not only that very few training providers offer such training, but the existing material is very general and not focused on practice. Also the useful materials available online are very expensive and offer no guarantees about the final outcome (have no efficient evaluation or feedback system).

#### 4. Training Needs

According to our survey, the first five topics that participants mostly need knowledge (table 1) are:

- Business planning in a foreign market
- Marketing strategies in foreign trade
- Payment, terms and transportation obligations
- Logistics and transportation
- Pricing

KNOWLEDGE	SCORE
Business Planning in a Foreign Market	218
Marketing Strategies in Foreign Trade	197
Payments, terms and transport obligations	192
Logistics and transportation	106
Pricing	87
The foreign trade documents and certificates	67
Packaging, labeling and foreign trade	58
Participating in International Fairs and exhibitions and business travelling	47
Techniques of market research in foreign trade	33
International Business Cultures	31
Export financing- Rules and Techniques (obtaining export financing)	28
Other (Please explain)	1

*Table 1 - Knowledge needed*

The one participant that marked **other** as an answer explained that he would participate on a training on **risk assessment about exporting activities**.

The answers of experts on this topic were similar to the ones of employees and unemployed. Apart from the top 5 topics already highlighted, they mentioned a series of extra topics considered as very important for those who wish to carry out exporting activities, such as: **product and services competitiveness (how to evaluate your competitiveness on the foreign market, how to increase competitiveness), assessment of the proper market depending on the specific of the exporting company, standardization and internationalization and international advertising**.

## 5. Learning Methods/ Pedagogies

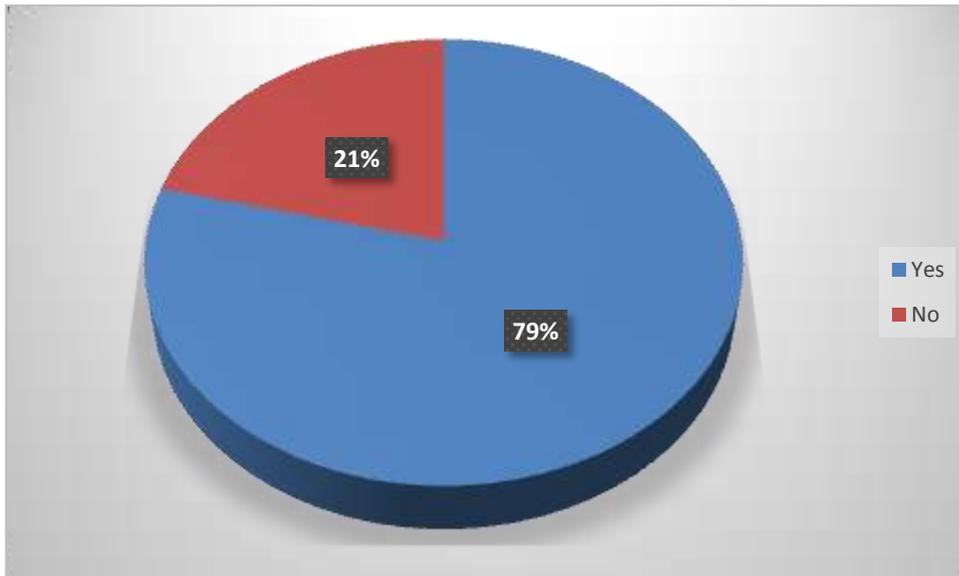
The answers regarding the **learning methods** that participants would prefer to see in an e-learning course show that **the most attractive one is through interactive exercises**, followed by **real life examples and best practices**(table 2). **Theory holds the last position**. This rank is also in accordance to what experts answered to this question, namely that **people need more training program based on practice** than theory and that in Romania nowadays trainings are too theoretical and therefore unattractive and sometimes useless. **An effective e-learning course is, in their opinion, one based on interactive exercises and projects**.

LEARNING METHOD	SCORE
Interactive Exercises	248
Real life examples	238
Best Practices/ Success Stories	181
Guidelines	130
Projects	127
Templates to follow	125
Theory	19

*Table 2 - Learning methods*

## 6. Added value of the E-EMPORIO course

**79% of the respondents** appreciated that an **e-learning course could improve their exporting skills (56 persons out of 71– figure 9)**.



*Figure 9 -Increase of export skills through e-learning*

The survey shows that **in order for a course to have an added value, it should be very practical, last as less as possible or be very flexible in terms of time scheduling and be very specific.** People are tired of courses on general issues, such as general marketing topics, and they want training programs focused on very specific topics.

## 7. Specific training needs in Romania

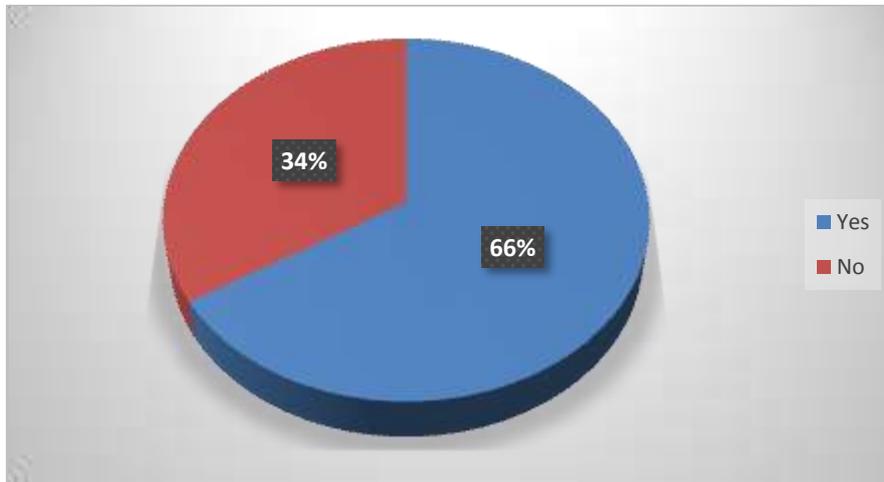
Most of the respondents want to know more about: **the foreign market situation in their own field of activity, retail prices and payment terms, tax regime, the effect of exporting on company's incomes, analysis of the economic and political environment, risk assessment, special rules and regulation for their specific products and services.**

## 8. Future Trends

The experts **did not identified any specific position or skill that could be very much needed in the future.** For the time being, most of the experts in exports in Romania complete their studies within universities and academic programs, therefore their skills are thought to be complete in terms of theory. What experts consider however to be very important skills for persons carrying out exporting activities are: **knowledge of foreign languages, knowledge of the foreign market's legislation and regulations and knowledge about the foreign market they wish enter, in general.**

## 9. ICT and Language Skills

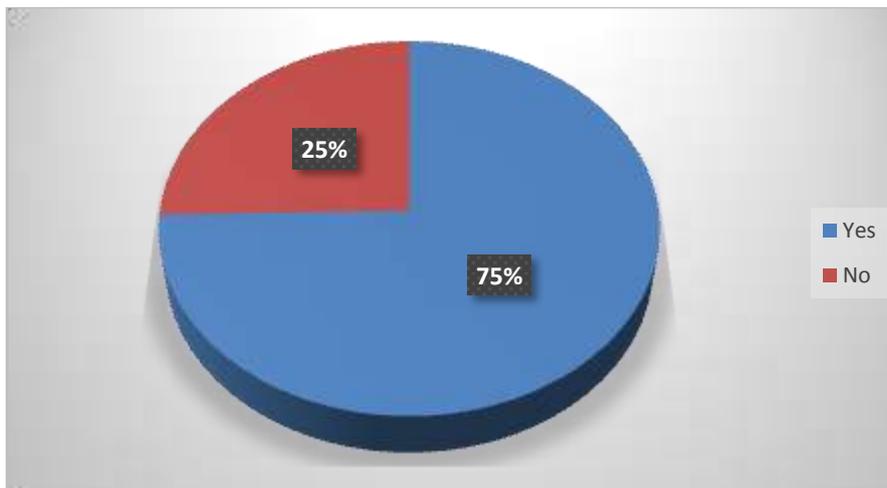
A very high percentage of the respondents, **66% - 47 persons**, participated in previous e-learning courses, mostly on topics related to foreign languages, marketing and management skills (figure 10).



*Figure 10 - Participation to e-learning courses*

The **major advantages** of these e-learning courses were the **flexibility and ease of access, the ease of understanding the terms and theory**, as well **reduced costs and time**. The **major disadvantages** identified by respondents are **the lack of practical usefulness of most courses, lack of communication and interaction, lack of case studies and the lack of certified self-assessment**.

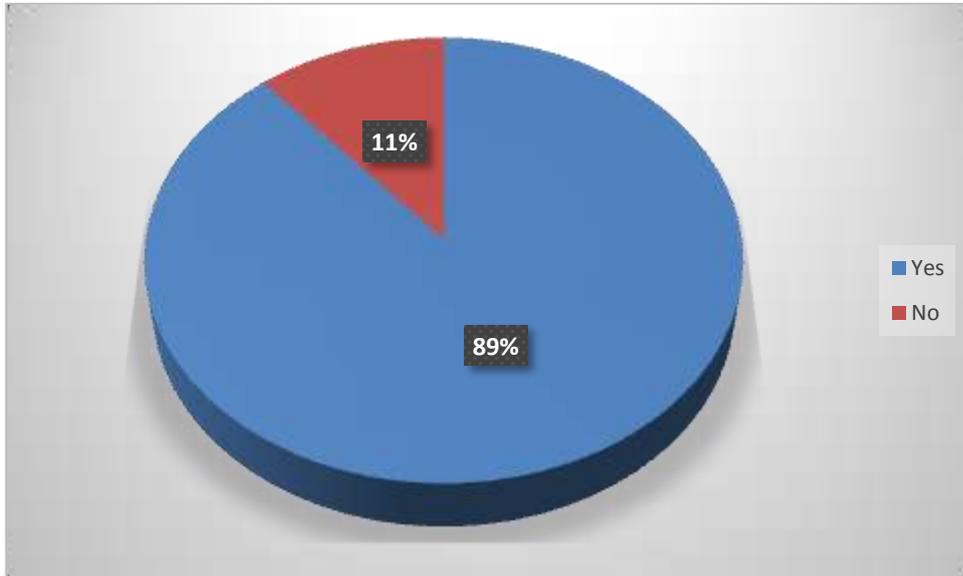
In terms of participants' **ability to follow a course through the Internet**, **75% (53 persons) are able** to do it, while **25% (18 persons) lack the necessary IT competences** to participate in such training (figure 11).



*Figure 11 - Ability to participate to Internet courses*

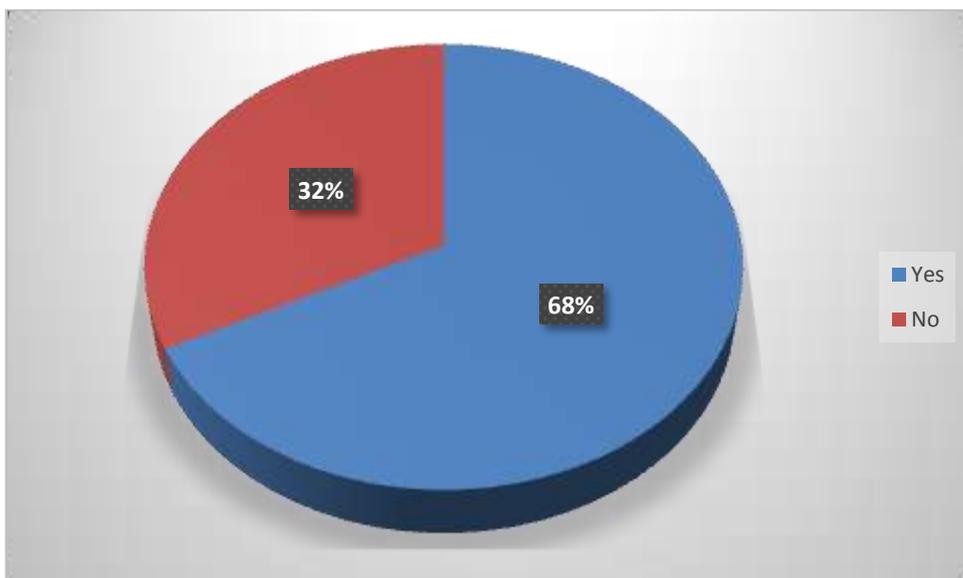
In terms of **what would help the respondents to follow successfully a course through the Internet**, they generally mentioned: **the interest regarding the topics, time available, useful material, knowledge of IT program used and courses based more on practical applications.**

**89% (63 persons)** of the respondents **understand at least one foreign language**(figure 12), usually **English, French and German.**



*Figure 12 - Understanding of foreign languages*

However, even if the percentage of persons who understand foreign languages is very high, **some of the respondents, 31% - 48 persons, do not consider themselves able to follow a course in English**, do to their fear regarding translation gaps or misunderstanding and misinterpretation of terms (figure 13).



*Figure 13 - Ability to follow a course in English*

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