



Key Skills for Enterprise to Trade Internationally

June 2012

Objectives of Study



- To ensure the supply of internationally orientated skills necessary to drive trade and export sales performance - in the key markets and for sector opportunities - as identified in the *Government Strategy and Action Plan for Irish Trade, Tourism and Investment to 2015*.
- Ireland is one of the most open economies in the world. However, Irish trade is geographically and sectorally concentrated. Export led growth requires a 'whole of enterprise' approach to improve competitiveness.

Ireland's top 10 Trading Partners



Country	Total Trade (€bn) (exports & imports)	% of total trade
USA	€57bn	20%
UK	€53bn	18%
Germany	€21bn	7%
Netherlands	€19bn	7%
Belgium	€17bn	6%
France	€15bn	5%
Italy	€10bn	4%
Spain	€8bn	3%
Switzerland	€8bn	3%
China	€8bn	3%



- Original research involved 60 exporting companies and relevant stakeholders to identify skills & knowledge required by enterprise(s). Assessment of relevant education and training provision completed.
- Emphasis is on the skills needs within key business function areas - (i) management (ii) marketing (iii) sales (iv) fulfilment (v) customer service / support (vi) design and development. Integral linkages to the manufacturing / generation business function are highlighted.

Key Skills and Competencies



Main Factors leading to Export Success



- Focus on meeting customer needs - defining the value proposition.
- Design & Innovation – exploiting niche, high-value opportunities.
- Talented sales and marketing people with language proficiency.
- Getting reference customers in new markets.
- Responsive customer service and quality supply chain management.
- An entrepreneurial mindset.
- A skilled and talented workforce.



Challenge

- A cadre of Irish managers with international skillsets and experience is required in order to drive additional export revenue streams with international customers, partners and suppliers.

Recommendations

- Foreign Affiliates managers should build up global management skills to lead business activities worldwide and to leverage added value business activity for the Irish operation - via CPD.
- SME managers to build up international management skills especially for identified weaknesses in strategic export business planning, export sales planning and market research - via CPD.



Challenge

- Companies need a unique selling proposition. SMEs often target too many markets, spreading their resources thinly. Currently 14% of Irish companies make E-commerce sales to another EU country.

Recommendations

- SMEs to prioritise markets and sectors. Build up capacity within companies to exploit potential for international E-commerce sales.
- Companies to invest resources on the identification, management and support of the right Channel Partner/Agent e.g. France, China.
- Strengthen focus within business & marketing programmes on the potential value and use of E-commerce and social media applications.



Challenge

- International sales professionals with foreign language proficiency are a key skillset. However, sales as a profession is held in low esteem. Lack of formal international sales training.

Recommendations

- Include an international sales module on 3rd level general business and marketing courses.
- Introduce post graduate diploma courses in international sales with foreign languages e.g German, French, Spanish.
- Introduce an International Sales Degree programme - with the active engagement and support of business.
- Ensure Business to Business; Business to Government; and Technical Sales content included within course curriculum.



Challenge

- Feedback loop from the customer to the continuous improvement in the design & development of products/services is key. Current low level of investment by SMEs in design capability.

Recommendations

- Promote awareness of the strategic value of design skills to companies.
- Consolidate and strengthen design education infrastructure at 3rd level to develop the cross-disciplinary design skillsets required by enterprise.
- Increase in-company placement opportunities for design students to develop their customer insight and commercial awareness.
- Introduce a design graduate placement programme for export orientated SMEs - for work on new product/service design.



Challenges

- (1) Improved foreign language capability would act as a major boost to enterprise ability to export. (2) High recognition in companies exporting but low for those exporting to English speaking countries.

Recommendations

- Develop a Foreign Language Education Policy with 5-10 year horizon vision across the continuum of primary, secondary and third level education to meet language proficiency needs of enterprise including:
 - Boosting the uptake of modern foreign languages at 3rd level.
 - Aligning assessment of foreign language proficiency to CEFR.
 - Focusing Erasmus students placements towards study and work in non-English speaking markets. HEA should set placement targets.
- Companies to communicate value of foreign languages for current and future job opportunities to students, parents and teachers.



Challenge

- The companies surveyed employ 16,000 people and anticipate that their employment will increase by 15% to 20% over the next 3 years. They anticipate recruitment difficulties in several key skills areas.

Recommendations

There is potential for conversion programmes with 2,200 places to fill difficult to fill positions within exporting companies in the wider economy:

- Computing Software Professionals (NFQ L 8 +) - 800 places.
- Customer Sales & Service /foreign languages (NFQ L 6/7) - 800 places.
- Sales Professionals with foreign languages (NFQ L7/8) - 250 places.
- Engineers (mechanical, automation, design) (NFQ L8 +) - 250 places.
- International Project Management (NFQ L 7/8) - 100 places.



- A supply of internationally orientated skills and talent has potential to drive trade and export sales and enhance inward investment.
- Report identifies the international skillsets that enterprises should build up to enhance their export sales performance - and that individuals can acquire to improve their employment prospects. Foreign languages and international sales are two key skills.
- Next Step Implementation - Key role for Department of Education & Skills, HEA, Education & Training Bodies, Employer Bodies/Companies, and Development Agencies.