

INSIDE OUT EU PROJECT

Region: Overijssel (NL)

Partner: Province of Overijssel

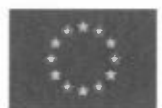
ACTION PLAN: PROVINCE OF OVERIJSSEL

provincie  Overijssel

Inside Out EU
Interreg Europe



Interreg
Europe



European Union | European Regional Development Fund

Part I – General information

Project: Inside Out

Partner organisation: Province of Overijssel

Other partner organisations involved (if relevant):

Country: Netherlands

NUTS2 region: Overijssel

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Part II – Policy context

The Action Plan aims to impact: Investment for Growth and Jobs programme
 European Territorial Cooperation programme
 Other regional development policy instrument

Name of the policy instrument addressed: #In Overijssel innoveert en internationaliseert (GO4export)

In the application form of Inside Out we aimed to influence the RIS3 Strategy. This strategy is not a policy instrument but rather a prerequisite framework for the Operational Program of EFRD as it analyses the potential growth opportunities of the regional top sectors.

Various studies in the Netherlands have indicated that sustainable economic growth can only be reached through international trade, particularly with Asia and Africa. After several consultations with representatives from the Provinces of Overijssel and Gelderland, who are responsible for the RIS3 development, we

agreed upon that internationalisation should have a place in the RIS3 framework. This implies that the regional top sectors can benefit from internationalization activities. Consequently, our best practices could play a crucial role with the effectiveness of the internationalization in the operational program (OP).

Due to the slow EU-decision process regarding the financial framework and subsequent regulations, the operationalization process of the RIS3 and the OP EFRO has been delayed. This situation has a negative impact on the practical implementation of our best practices. We have tried to integrate our best practices with the current EFRO and INTEREG A program but this was not possible due to the limited budget.

Since the province of Overijssel has her own regional internationalization policy and operationalization program "GO4Export", we will, therefore, integrate our best practices in this regional policy. We expect that the political decision process about this regional policy will take place in the first quarter of 2020. The operationalization of the "GO4Export" program (budget of 2.5 MEuro) will start right after this process.

Part III – Details of the actions envisaged

ACTION 1

1. **The background** (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan).

Since export is the most common mode of SMEs' internationalization, export performance is regarded as one of the key indicators of the success of a firm's operations. Indeed, SMEs are export generators in many EU countries, with medium-sized enterprises (50-249 employees) accounting for the largest average export value per exporting SME (Eurostat Trade by Enterprise Characteristics, TEC 2014). There are still many SMEs with untapped export potential. Internationalization poses difficulties for these firms due to, among other aspects, the lack of scalable business models, financial resources, and the process of selecting international business partners ([Eurobarometer survey 2015](#)). Additionally to limited financial resources, an important SME-specific barrier for internationalization is the human resources constraint: the lack of necessary managerial skills, employee qualifications, knowledge and time. In order to avoid unnecessary use of scarce resources, entrepreneurs need to prepare their internationalization activities carefully. Therefore, it is important for them to get an insight into the export potential of their company and required qualifications and finances before they start their export activities.

From the experiences with the GO4Export program, we learned that entrepreneurs without, or with limited international experience make neither use nor efficient use of the trade support instruments which the GO4Export program offers. Examples of these trade support instruments are, among others, trade missions, e-commerce vouchers, network events and workshops on export and the use of students. Each stakeholder in the GO4Export program offers its specific instruments: Trade Office, World Trade Centre Twente, Oost NL, MKB Deventer, Saxion and Windesheim Universities of Applied Sciences, Twente University, Novel-T and the employers' organization VNO-NCW Midden.

Therefore, we would like to increase the awareness of entrepreneurs on the untapped export potential of their company by means of a Self-Diagnosis instrument. Based on the outcome of this Self Diagnosis, entrepreneurs can select the trade support instruments, available within the GO4export program, which matches with their individual needs. By means of this tailor-made process, we aim to create 'an individual export journey for SMEs' with the focus on specific instead of generic arrangements.

2. **Action** (please list and describe the actions to be implemented)

During the meeting in Pamplona last year, the Self-Diagnosis as a 'best practice' of the partner from Navarra was presented. Based on this presentation, we realized that we missed such a valuable instrument in our GO4Export program. In the Netherlands, there are several kinds of Self-diagnosis instruments in the field of export and international business. First, we will compare these existing instruments in order to select the instrument that has the best connection with the GO4Export program. Part of this comparative research is to collect the experiences and views on the added value of Self-diagnosis instruments of our stakeholders. Next, we will test the selected Self-Diagnosis instrument with some entrepreneurs in order to get their views on clarity, effectiveness and use of the instrument.

This implies that we want to focus on the way how to offer the Self-diagnosis instrument. For instance, we could offer a brief intake via the website of the GO4Export program or the websites of the individual stakeholders. If required, we could also offer a brief intake by means of a short interview. After this first brief intake, we could invite the entrepreneur for a personal interview. During this personal interview, we will use the Self-diagnosis instrument in order to get a deeper understanding about the company, its international strategy and the required support and coaching to operationalize this strategy.

On basis of the outcome of this interview, we will then discuss with the entrepreneur about the follow up steps to be taken. This is actually the start of "the individual export journey" for the company. The brief intake and the results of the Self-diagnosis instrument give insight into the export potential of the company. The follow up steps consist of defining the activities with regard to the available trade support instruments of GO4Export, the consecutive planning and the required coaching by an experienced export professional. If necessary, the export coach can support the company from the beginning until the end of his individual export journey.

Finally, we will report the results and recommendations to our stakeholders on basis of which we will decide upon the integration of the Self-Diagnosis in the GO4Export program 2.0 as an new instrument for SMEs. This action, including the budget, will be integrated in the GO4Export program.

The outcome of the self-assessment diagnosis is twofold. SME entrepreneurs are ready for starting or expanding their international business and they get support in defining the steps to be taken for their internationalization strategy. This process will increase the effectivity and efficiency of SMEs internationalization processes. Another outcome of the self-assessment diagnosis could be that entrepreneurs are not ready yet for doing international business. This outcome implies that entrepreneurs have to reconsider their international ambition and this outcome, therefore, prevents them from wasting time and money. In order to prepare these entrepreneurs for their internationalization strategy, the GO4Export program can support them with instruments, varying from export coaching and economic missions to consultancy on e-commerce and the use of international students.

3. Players involved (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

For the development of the Self-Diagnosis, all stakeholders of the GO4Export program are involved: Trade Office, World Trade Centre Twente, Oost NL, MKB Deventer, Saxion and Windesheim Universities of Applied Sciences, Twente University, Novel-T and the employers' organization VNO-NCW Midden. These stakeholders use the GO4Export Program as a sub-regional one-stop shop for their own support base. Consequently, they need to be involved in the development of the Self-Diagnosis instrument in the GO4Export program in order to use the instrument for the benefit of the individual SMEs in their own network.

However, based on the outcome of the Self-diagnosis and the follow up action plan, each stakeholder of the GO4Export program can also have an active supportive role. Naturally, this depends on the individual focus of each company. For instance, if an entrepreneur has quite some experiences with export, it might be useful for him to explore and define an e-commerce strategy. Therefore, the company can address the stakeholder MKB Deventer to explore the benefits of an E-commerce marketing strategy as MKB Deventer supports SMEs with consultancy and E-commerce vouchers. Another example applies for entrepreneurs who want to expand their international activities to China. Given the cultural differences between the Dutch and Chinese culture and the difficulty to find the right business partners, SME can participate with a trade mission to China, organized and offered by the World Trade Center and Oost NL.

As such, each stakeholder of the GO4Export program has its added value in specific trade support instruments.

4. Timeframe

July – December 2019: research and selection of the Self-Diagnosis instrument.

March 2020: integration of the Self-Diagnosis into the new GO4Export Program (2020/2023).

5. Costs (if relevant)

For the research and selection (January – December 2019) of the Self-Diagnosis instrument the costs are estimated at 20.000,- Euro.

From March 2020 the Self-Diagnosis instrument becomes part of the total trade support instruments from GO4Export 2.0. with its own budget.

6. Funding sources (if relevant):

For this action plan no funding sources are required as the province of Overijssel will pay the costs from their own budget.

ACTION 2

7. The background (please describe the lessons learnt from the project that constitute the basis for the development of the present Action Plan)

Companies increasingly expect from the globally competent export professional to help them stay ahead of global competition (Welten, 2010). This export professional is a bilingual team player who has expertise in international marketing and management and excels in establishing and maintaining international relationships with potential business partners and stakeholders in other countries. Given the fact that many SMEs often lack resources to hire experienced export managers, the employment of students and graduates allows SMEs to start or expand their international activities. The challenge for bachelor education in international business is, therefore, to prepare students well enough for working in the complex international business practice so as to ensure a smooth transition for an international starting position.

In our GO4Export program, we developed some projects which involve the cooperation between students and internationalizing SMEs. Given the growing need of internationalizing SMEs for young talent, however, we want to develop more projects in which companies in our region and students work together. During our visit to Belfast last year, we learned about

the 'Graduate to Export' project (former Explorer project). This projects matches graduates with a bachelor degree in international business with companies in order to carry out international market strategies. We consider that this project could be added to our GO4Export program.

8. **Action** (please list and describe the actions to be implemented)

In order to get a better understanding of the "Graduate to Export" program, we will plan a visit to Belfast by the end of April. During this visit, we will be informed about the specifications of this program by means of interviews with the program manager and the involved companies and Universities. The added value of the program seems to be that SMEs gain access to young recruits for international starting positions. The " Graduate to Export" program aims to help companies with their ambitious growth plans by providing financial support to employ a graduate for eighteen months to take forward a market research project that targets a specific market outside Northern Ireland. Graduates spend the first 6 months of the program in Northern Ireland getting to know the business and starting the training program. The following 12 months they spent in the export market undertaking the market research project with full support from the company, along with academic and company mentors from Ulster University and the Institute of Export. The latter will train the graduates the required export skills. This program is open to all graduates and fully funded (salary support to employ the graduate of 50% up to a maximum of £18,000 for the eighteen month program).

It would be interesting to see whether we could use the basic principles of this program to GO4Export 2.0. This all depends on the way how the program is set up in relation to the post graduate training program delivered by the Ulster University and the Institute of Export.

After our visit to Belfast, we have reported the opportunities and needs for the "Graduate for Export' program with our stakeholders. The stakeholders considered the added value of this program to be limited. Nevertheless, they advocate the use of students with SMEs internationalization process in a different project context.

In addition to the current Export Development Program (1) innovative start-ups have addressed their need for support in their internationalization process. These start-ups are often characterized as born-globals, which means that they have an international business focus already at the start of their business. Specifically for these start-ups, the stakeholders will organize a program which consists of information meetings and individual coaching with the aim to support these start-ups in their internationalization strategy to the surrounding countries. In the final stage of the program, the start-ups will participate in a trade journey to one of the surrounding countries. The program aims for 40 participants and the surrounding countries involve Germany, Belgium and France.

The action 'Graduate for Export' for surrounding countries will be integrated into the GO4Export program. Within the GO4Export Program, a budget for Graduate for Export' will be allocated.

(1)

The Export Development program empowers successful international business for companies and students in the region. The program offers companies in the provinces of Overijssel and Gelderland an opportunity to benefit from ambitious international trained students who have an international focus and drive to succeed. The program involves a graduation research project followed by a traineeship. First, the EDP candidate carries out his/her graduation research assignment at the company and delivers a graduation report. This graduation semester entails approximately five to six months. Next, the graduate starts his traineeship with the company as a trainee in order to implement the results of his/her graduation research in your company. The trainee, then, is employed with the company for a period of six months. During his/her traineeship, the trainee is guided and coached by an international experienced business coach, who is aligned with the EDP program.

9. Players involved (please indicate the organisations in the region who are involved in the development and implementation of the action and explain their role)

For the development and implementation of the “Graduate to Export” program, all stakeholders of the GO4Export program are involved: Trade Office, World Trade Centre Twente, Oost NL, MKB Deventer, Saxion and Windesheim Universities of Applied Sciences, Twente University, Novel-T and the employers’ organization VNO-NCW Midden. The Saxion and Windesheim universities of Applied Sciences are actively involved as they are responsible to prepare students for working in international business practice by stimulating their development as competent international professionals. The “Graduate to Export” program allows students easy access to their future employers and has the focus of further development of students’ international competencies. The other stakeholders use the GO4Export Program as a sub-regional one-stop shop for their own support base. Consequently, they need to be involved in the development of the “Graduate to Export” program the GO4Export program in order to use the instrument for the benefit of the SMEs I their own network.

10. Timeframe

July – December 2019: research and development of the “Graduate to Export” program

March 2020: integration of the “Graduate to Export” program into the new GO4Export Program (2020/2023).

11. Costs (if relevant)

For the research and development (January – December 2019) of the “Graduate to Export” program the costs are estimated at 25.000,- Euro.

From March 2020 the “Graduate to Export” program becomes part of the total trade support instruments from GO4Export 2.0 and this program will have a separate budget.

12. Funding sources (if relevant):

_____ For this action plan no funding sources are required as the province of Overijssel will pay the costs from their own budget.

ACTION X

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21-11-19
Date: April 2019

Signature: 

provincie Overijssel

Stamp of the organisation (if available): _____

