

Project INTRA:
GOOD PRACTICE GUIDE



Coventry University Enterprises
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1. Introduction

This deliverable summarises the approach that will be adopted in order to conduct the good practice collection and analysis. The first part of the report outlines the main steps that need to be followed for the identification of the good practice and the second part provides a practical template that will be used for the good practice collection (ANNEX I)

In academia, there is no consensus on what “best practice” or “good practice” is, or how “good practice” research should be conducted (Myers, Smith, and Martin 2004, 4).

With regards to policy, and more specifically internationalisation policies, best practice is a form of program evaluation. It is the process of reviewing policy measures and alternatives that have been effective in addressing similar issues in the past and could be applied again. The term ‘good’ though, in many cases, can be subjective and vague and therefore emphasis should be put in defining a sound methodology for identifying ‘good’ practices and set specific criteria for the evaluation of the effectiveness of each practice.

In INTRA project, good practice is considered not only a practice that is good but a practice that has been proven to work well and produce good results; therefore it is recommended as a model to follow. It is a successful scheme or intervention that has been tested and validated in the broad sense and due to its positive impact it deserves to be shared so that a greater number of regions can adopt it.

2. Aim and objectives of the good practice

The INTRA good practice intends to identify the good practice examples on Internationalisation schemes amongst the six partner regions.

Governments across EU, on national, regional and local level have recognized the internationalization as one of the policy instruments that impact on growth and employment opportunities. In the development phase of INTRA project partners have defined the following main problems hindering the better understanding of internationalisation trend in regional policies:

- i) Lack of a comprehensive and detailed overview of the regional SMEs participating in internationalisation (not harmonised regional data on specific industrial sectors and branches)
- ii) Lack of direct involvement of SMEs in the evaluation of the government policies, supporting the internationalisation that would showcase the gap between the needs of SMEs and the policy, strategies and instruments offered by the public funds;

One of the most important steps in overcoming the abovementioned barriers is to identify

1. What support is already available and
2. How this can be transferred in other regions.

The main aim of the good practice activity is twofold: 1. to investigate the measures that are offered to SMEs in terms of supporting the International agenda of the companies and define the transferable elements and 2. as well as obtain a better understanding on the effectiveness of the schemes from the SME's perspective. The Good Practice Handbook will constitute a good practice repository that will provide the basis for the Policy Recommendations and the Action Plan

3. Defining 'Internationalisation activities support'

There is no universal definition for 'Internationalisation'. Within INTRA, which focuses on policies that support the internationalisation of SMEs, the following definition will apply: **Internationalization is “the process of adapting firms operations (strategy, structure, resource, etc.) to international environments”**. (source: Calof, J.L., & Beamish P.W., 1995. “Adapting to foreign markets: Explaining internationalization”, International Business Review, Vol. 4, No. 2, pp. 115-131.)

Crucial point is to unfold the gap between the existing policies and the needs of SMEs in their internationalisation processes in all their phases - from market entry to the exit policy as well as to compare the implementation of internationalisation policies between the involved EU regions.

Internationalisation policy will be therefore understood as policy, strategy, programmes (objectives, measures, projects, activities) that foster/aim to support internationalisation of SMEs on EU, national, regional or even local level and are supported by the policy targeted by each project partner (and mostly financed through the cohesion policy). However, the internationalisation activities that will be described as GPs can be financed through other financial instruments or even the SMEs themselves. The distinction will clearly be marked.

The potential GPs in international support services that will be collected are represented in Annex II. In the Annex III an example of an SME Internationalisation support scheme is presented.

4. Good practice criteria

For the purposes of INTRA project, any action/project/policy/initiative/scheme or measure will be called 'practice'.

Good is a practice that meets the following requirements

- Promotes/enforces/helps/supports SME Internationalisation
- The final beneficiaries of the practice are SMEs that are interested in international activities
- The practice is focused on SME Internationalisation or can be implemented within a broader scope where the SME support is included (for example: partner searchers, funding, brokering services etc)

- According to the compiler, the practice has some relevant feature or tool that can be transferred to another region, area or context
- It is a type of practice oriented around funding support, policy/regulations, knowledge and innovation, market (please see section 7 of the good practice template in Annex I)

The three selection criteria that will be used in order to define the most promising good practices are:

- i) Transferability
- ii) Coverage of the range of practices
- iii) Geographical range (9 from each region)

The distinction between good practices can be made according to:

- the policy perspective
- the “internationalisation ecology” perspective (intermediaries; consultants...)
- the SMEs perspective

5. Methodology

This section describes the steps that will have to be undertaken in order to collect the good practices. Each partner will have to identify and analyse **9 Good Practices** in their respective region from which 5 or 6 will be selected for the study visits.

1. *Identify the end users' needs*: INTRA project will provide evidence-based support to policy makers. The target group of the project, however, will be the SME community.
2. *Identification of good practices*: a number of sources can be utilised in this step. The primary way to identify an existing practice is to conduct an internet based research. In parallel, some consultations with the local stakeholders will help as they will be able to provide more information about schemes that are not found online.
3. *Document good practices*: The details of the good practices will have to be documented in the template that can be found attached in Annex I. In case that there is no sufficient information on the practice online, then the partners will have to conduct interviews with the individuals/organisations responsible for the good practice in order to ensure that adequate information has been included in the template.
4. *Validation*: The primary responsibility for ensuring the quality of the good practice lies with all the individual partners. However, CUE will carry out a validation analysis once all the practices are received in order to identify possible arrears. The validation process is described in Chapter 5.
5. *Promotion and dissemination*: The good practices will be recorded in the Good Practice Handbook report. The findings will be disseminated through seminars, the project website, newsletters and social media. The Handbook can prove a very useful database for policy makers, academics and industry players too.

6. *Adoption and application*: The end goal in identifying and implementing effective practices is to overcome needs in order to improve SME Internationalisation performance. To meet this goal, the partners will take a proactive stance in promoting their practice findings and educating the stakeholders on how these practices will impact the regions and the operations of the SMEs. While the database of good practices (Good Practice Handbook) is a useful starting point it is also necessary to complement these with face-to-face knowledge sharing events. This is where true value is added for the process can also generate two-way benefits. Mechanisms include visits to stakeholders, presentations in events, seminars, etc. The details of the application process will be described in detail in the Action Plan.

6. Validation of Good Practices

The good practices will be benchmarked in order to identify the ones that have been the most effective in the SME Internationalisation support arena. For that reason, it is of paramount importance to ensure the completeness and the accuracy of the information provided.

The list below presents the main validation criteria that each practice should meet:

- Measurement of the success of the practice
- Comparability of the practice against relative objective data with positive results
- Whether the practice was tested in multiple settings for replicability and adaptability
- Whether the practice was nominated by one region, or by a number of regions
- Detailed enough information included in the description of the practice to enable implementation or adaptation
- Whether the source of the practice appear to be a valid resource for identifying good practice
- How long has the practice been in implementation
- What evidence exists to support the practice's effectiveness

7. Evaluation of Good Practices

The evaluation is essential to making the claim that a practice is evidence-based and validated through research. A practice is only good if there is a demonstrable link between what is practiced and the end result. Still, in most cases judgment is needed as to what constitutes good practice. INTRA will have a panel of peer partner reviewers to evaluate a potential good practice. Input and feedback will be also provided by the stakeholders too.

The evaluation process consists of analysing the documentation and classifying the practice as a good practice. The evaluation process will involve the review of both subjective and objective data points. Subjective data will be gathered from internal reviews, assessments, and feedback mechanisms regarding the success

of the practice which will be based mainly on partners' input. Objective data, on the other hand, is gathered from objective sources external to the project and they will provide an objective basis for comparison of the success of the practice through like kind analysis. Sources for obtaining objective data can include subject matter experts; SMEs; consultants; research evidence; academics; policy makers.

There are two methods of assessment that a partner can use to verify and classify practices — a comparative review or a peer review. While both are valid standalone options, INTRA will use a combination of some degree of each method in order to ensure the quality of the results.

Comparative Review

The comparative review will draw primarily on objective data sources to compare the findings produced to similar good practices of other regions. The purpose of a comparative review is to validate the results through comparison to data gathered from sources external to the project.

The following is a listing of possible sources for finding comparative data:

- *National, regional, or local benchmark data* (e.g. statistics on exports, etc)
- *Case studies of organizational (SME) performance*: This type of data can be drawn from the organization that initially documented the practice or from other organizations working in a similar geographical location or sector.
- *Comparative/competitive market analysis*: Data collected through market analysis provides information about the external context in which the practice has been functioning and can be particularly useful when evaluating the practice's potential for replication.
- *Academic research*: This source provides one of the most rigorous types of comparative data. INTRA will look for studies conducted in the same geographic areas or around the internationalisation arena. Universities, think tanks, and other academic institutions will be great sources for this type of data.

Peer Review

The peer review will draw on the judgment of partners and other stakeholders to analyse and affirm the findings of the review of the practice. This will be accomplished through the presentation of documented review findings to a number of stakeholders (individuals and organizations) to determine if the findings are in line with their expectations and visions. The goal is to determine if there is agreement among stakeholders that the practice qualifies as either a good or promising practice. The peer review is a critical step in the assessment process as it will reveal the transferable elements too which will constitute the basis of the Action Plans.

8. ANNEX I: Good Practice Template

COLLECTION OF PRACTICES TEMPLATE FOR THE GOOD PRACTICE GUIDE

This template will be used to collect practices from the INTRA partner regions. These practices will be analyzed and selected in order to compile the “INTRA GOOD PRACTICE GUIDE”.

Partners are requested to provide as much information and references as possible about a practice they consider to be good and transferable to other regions. The basis for selection of practices is the self assessment, guided through this template that each partner does on his /her own practice.

What are the minimum requirements of an INTRA practice?

An action/project/initiative is an INTRA practice if:

- It is an action/project/initiative/service that promotes/enforces/helps/supports SME Internalisation
- Final beneficiaries of the action/project/initiative are SMEs that are interested in international activities
- The action/project/initiative is focused on the SME internationalisation or can be implemented within a broader scope where the SME support is included (such as partner searches, funding, brokerage services ...).
- According to the compiler, the action/project/initiative has some element/feature/tool that can be transferred to another region/area/context
- Is a type of action/project/initiative listed in question number 7 (see below)

Selection criteria of the final good practices will consider topics such as:

- Transferability
- Coverage of the range of practices (see practice type list in question number 7)
- Geographical range (9 from each region)

Actions, projects, policy, initiatives will be called “practice” from now on.

1. Name of the organisation owner of in charge of the practice

2. Region/country where the practice takes place

3. Title of the case/practice

4. Website (If available)

5. Description of the case/practice (around 2000-2500 characters)

5.1. Duration (start-end)

5.2. Goals

5.3. Partners involved

5.4. Total cost of the practice

6. Why do you think this could be a good practice?

7. Type of practice (multiple response)

POLICY/REGULATION	
	policy + successful implementation
	observatory/benchmarking/monitoring the SME Internalisation activities
	dissemination (please specify)
	event/festival
FUNDING	
	funding measure
	financial measure (e.g. tax relief, grant for exports, etc)
	investment attraction measure
KNOWLEDGE & INNOVATION	
	entrepreneur training, coaching, mentoring, consultancy
	access to knowledge
	technology transfer
	open innovation
	cross-sectoral networking
MARKET	
	internationalisation (e.g. creation of international partnerships, access to foreign markets, ...)
	cluster development
	incubator/ promotion of start-up
	networking, matchmaking, ...
OTHER (please specify)	

8. How does the practice support and help enhance the SME Internalisation?

9. Which problems/challenges/needs is the practice addressing? Please tick the appropriate objectives (multiple response)¹

Challenges	OBJECTIVES	Tick where appropriate
Human Resources / Managerial Capacity	Export coaching course	
	Incentives to foster internationalization activity	
	Exports forums	
	Improving interregional technology transfer bodies and mechanisms	
	Trade visits	
	Internationalization/Export Academies	
	Other: please specify	
SME Internalization support infrastructure and services	Developing technology incubators	
	Developing technology parks	
	Market research support	
	Export/Internalization observatory facilities	
	IPR support/ Institutional protection of intellectual property	
	Account management support	
	Developing technology centres/competence centres/applied research centres as a key tool for competitive improvement in businesses	
	Diversifying and specializing technology centres and services	
	High level consultancy support (eg advisors who help innovative SMEs to boost R&D output and identify adaptations that might make a product suitable for new overseas markets)	
Other : please specify		

¹ Based on OECD report on ' Top Barriers and Drivers to SME Internalization'

Financing	Insurance solutions & risk management (e.g. covering of exporters and foreign buyers of exports against commercial and political risks of non-payment)	
	Financing short-term exports	
	Pre-Shipment financing	
	Post-Shipment financing	
	Loans	
	Credit guarantee scheme	
	Funding/grants for recruitment of advisors, researchers, accountants	
	Funding to attend international trade events and exhibitions	
	Grants to support any stage of the internationalization activity	
	Other: please specify	
Information provision and networking	Improving interregional technology transfer bodies and mechanisms	
	Creation of thematic critical masses and cluster development	
	Establishing interregional innovative business clusters and mega-clusters	
	Fostering the transferability of innovative technologies overseas	
	Export promotional activities/marketing	
	Regularly updated analysis reports on foreign markets	
	Trade missions	
	Partner search & alliances	
	One stop customer centre to assist SME exporters with foreign market information and contacts	
	Trade centres abroad (that can offer market research information, trade fair support etc)	
Market intelligence services		
Other: please specify		
Indirect actions: proactive measures to stimulate SME internationalisation	Venture capital funds that finance innovative and high-growth companies	
	Public funding schemes for start-ups	
	Improvement of technological capabilities of export-oriented SMEs	
	Other : please specify	

10. Source of funding (multiple response)

	regional funds
	national funds
	EU funds – H2020
	EU funds – ERDF
	EU funds – other (please specify)
	private funding (self-financed)
	private (e.g. financed by business angels)
	crowdsourcing
	other (please specify)

11. Focus (choose the most relevant one)

	focused on the SME Internalisation
	focused on SME support sector
	focused on sector specific SME Internalisation
	focused on other sector (please specify)

11. Is the practice linked to a specific policy? Please add a short description of the policy and its link to the strategy/programme here.

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12. If this practice is not focused on the SME Internationalisation, why do you think it is applicable in this field?

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13. Geographical focus (choose one answer)

	local
	regional
	national
	European
	international

14. Actors involved in the practice (multiple response)

	regional government
	national government
	development agency
	university or research institution
	SME, enterprises
	association of enterprises/professionals
	other (please specify)

15. Outputs: direct consequences of the practice. Depending on the practice goals, please provide quantitative indicators that are available for your practice. Some examples are listed below:

QUANTITATIVE INDICATOR	TIMEFRAME (during which time?)	INFO SOURCE (if available)
<i>e.g. number of enterprises exported</i>	<i>e.g. in n years of the practice lifetime</i>	
<i>e.g. number of enterprises supported</i>	<i>e.g. in n years of the practice lifetime</i>	
<i>e.g. number of entrepreneurs involved in any overseas cooperation</i>	<i>e.g. in n years of the practice lifetime,</i>	
<i>eg number of technology agreements signed</i>		

16. Please state if this practice is transferable in terms of:

	organisational model / implementation process
	specific tools (e.g. training, financial support,)
	policy making process
	definition of financial feasibility
	methodology for the assessment of the problem to be address

	methodology for the involvement of the targeted stakeholders
	risk management strategy involved
	exit strategy involved
	review and maintenance methodology
	metrics for the evaluation of the implementation process
	marketing strategy
	other (please specify)

17. List main success factors referred to the context where the practice took place

SUCCESS FACTOR DESCRIPTION	IS THE SUCCESS FACTOR RELEVANT FOR TRANSFERABILITY IN A DIFFERENT LOCAL CONTEXT?	
<i>e.g. efficient laws on public support of enterprises. Region AAA is committed in SME Internationalisation support thanks to a Competitiveness Plan (www.region.aa.com)</i>		Very relevant
		Relevant
		Party relevant
		Not relevant
<i>e.g. positive perception of public funding mechanisms</i>		Very relevant
		Relevant
		Party relevant
		Not relevant
<i>e.g. social capital and competent HR available</i>		Very relevant
		Relevant
		Party relevant
		Not relevant
<i>e.g. strong training organisation already existing on the area</i>		Very relevant
		Relevant
		Party relevant
		Not relevant

18. Further materials and reference available (paper, PPT, information sheet, leaflet, video, press releases, articles, blogs, photos,...). Please list and enclose

19. REFERENCES:

Contact Details: contact person of the practice (name, e-mail, ...)

Contact Details: person compiling this form (name, e-mail, ...)

OTHER RELEVANT INFO

9. ANNEX II: List of potential international Support activities

Support services

- Market Research – investigation of overseas markets
- Culture and Language
- International Marketing – incl websites
- Logistics
- Export finance
- Routes to market – Joint ventures etc.
- Attending Exhibitions overseas/trade shows
- Ecommerce
- Intellectual Property – overseas patents etc.

Investigation

- Market Research
- Cost and Benefit Analysis
- Competitor Analysis
- Customer Sampling
- Country/Region Profiling
- Cultural Analysis
- Product Suitability

Making a profit

- Export Pricing
- Exchange Rates
- Export Logistics and Documentation
- Product Compliance and Certification
- Support Literature
- Personnel Costs

Sales and Marketing

- Sales Channels
- International Marketing/Product Mix
- Trade Agreements
- Managing Agents and Distributors
- Agent/Distributor Agreements
- Trade Shows/Exhibitions
- Field Visits/Trade Missions

International E Commerce

- Search Engine Optimization (SEO)
- Google Tools
- Geographical Hosting
- Online E Stores
- Business and Social Media

Market Research

- Cost and Benefit Analysis
- Competitor Analysis
- Customer Sampling
- Country/Region Profiling
- Cultural Analysis
- Product Suitability

Logistics



- Incoterms®2010
- Commercial Invoice/ Packing List
- Country of Origin/Certificate of Origin
- Shipping Documents
- Import/ Export License
- EUR 1 & ATR 1
- ATA Carnet / Preferential Trade Agreements
- Commodity/Tariff Codes
- Inward Processing Relief & Outward Processing Relief
- VAT & Letters of Credit

10.ANNEX III: Example of an SME Internationalisation support scheme



SME Guide to Supportable and Non-Supportable ERDF Activity

The WM (SME) Internationalisation ERDF project has been developed to support SMEs enter new international markets or develop new routes to international markets. The support must bring "added value" to the SME and as such cannot support activity that would happen anyway (i.e. business as usual) or has happened previously.

ACTIVITY AREA	SUPPORTABLE	NON-SUPPORTABLE
International marketing	<ul style="list-style-type: none"> Design and production of international marketing literature for targeted markets; Translation of current marketing literature. 	<ul style="list-style-type: none"> General marketing collateral (brochures, business cards etc, especially in large quantities).
Internationalising websites	<ul style="list-style-type: none"> Additional pages for target markets; Ability to take foreign currency; Translation of website. e.g. languages; Adding payment or order system to help with overseas sales etc, will show delivery options for overseas customers. <p>(A link to internationalisation aspect of the website for supporting evidence will be required).</p>	<ul style="list-style-type: none"> Not developing new websites for "business as usual" purposes e.g. not for first set up construction costs and general development not related to international audience/exporting.
Exhibition activity	<ul style="list-style-type: none"> Cost of space and stand; Hire of exhibition equipment; Cost of getting to exhibition; In-market accommodation (including international exhibitions in UK with international exhibitors); Travel in market; Shipping out display equipment (if using a carrier as long as can evidence it is returned to UK). 	<ul style="list-style-type: none"> Purchase of exhibition equipment - pull ups, stands, seats etc; Alcohol
Exploratory market visit	<ul style="list-style-type: none"> Travel to market costs; In market accommodation; Travel in market. <p>(An itinerary of meetings will be required)</p>	<ul style="list-style-type: none"> Petrol costs; Personal use related to car; Alcohol.
Overseas Seminars/Workshops	<ul style="list-style-type: none"> Seminar attendance fee; Travel to market costs; In-market accommodation; Travel in market. 	<ul style="list-style-type: none"> Petrol costs; Personal use related to car; Alcohol
Export consultancy	<ul style="list-style-type: none"> Consultancy on specific international areas. 	<ul style="list-style-type: none"> General export advice and support (which will be provided by the ITA)
IPR development (e.g. international patents and trademarks) etc	<ul style="list-style-type: none"> Activity and costs relating to the specific targeted markets – and easy to evidence as such. 	<ul style="list-style-type: none"> Registration of patent in UK; International registration where they is no intention to trade overseas (but simply to ensure cover in UK)
Product testing/Standards	<ul style="list-style-type: none"> Activity and costs relating to the specific targeted markets – and easy to evidence as such. 	<ul style="list-style-type: none"> Cannot be to register/patent in UK - which would be normal business practise
Market Information/Research	<ul style="list-style-type: none"> Membership or joining fees and costs of a relevant trade body, professional association or chamber of commerce; Market research . 	<ul style="list-style-type: none"> Membership renewal or re-joining fees for trade body, professional association or chamber of commerce where SME is or has been a member previously.
Language & cultural awareness development	<ul style="list-style-type: none"> Mentoring. 	<ul style="list-style-type: none"> Language or cultural training
Overseas Business Set Up/running Costs	<ul style="list-style-type: none"> Advice on Joint ventures 	<ul style="list-style-type: none"> Set up costs for new overseas networks; Regular costs of existing overseas network.