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International competencies within family and non-family firms

Step up to Saxion.



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Research question

To what extent do the international competencies which exist within family and non-family firms influence the export intensity of the family and non-family firms?

Aim of the study

- Explore the relevant international competencies which companies need for their export activities.
- Comparison of the current situation with the ideal situation in family and non-family firms.

(Study in progress)

This study is based on the studies of Erven, Van Weerden, Wierstra (2012) about Family related factors and export intensity and Family firms and Internationalisation (family related factors and export intensity) of Wendy Bolster (2012).

(Exportintensity: ratio of export to total sales)

Methodology

- Literature study
 - 33 competencies
- Qualitative Research
 - Discussed with five export managers
 - Reduced to 8 competencies
 - Definition fine tuning
 - Further interviews
 - Owner/director of 21 family and 17 non-family firms
 - Minimum of 5% export intensity
 - 5 – 250 employees

Competencies

- Foreign languages

The knowledge about foreign languages in writing and speaking.

- Commercial skills

One understands the international market and uses this to create e.g. higher market share, profit etc..

- Thinking skills

Problem solving, analytical capability, literacy and planning abilities, product development

- Relation management skills

Development, continuity and improvement of international inter personal relations within international business environment.

Competencies

- Intercultural skills and sensitivity

Knows, understands and has insight into the foreign cultures and shows culturally appropriate behaviour and establishes meaningful relationships with individuals from cultures different from one's own.

- Leadership skills

Courage, ambition, integrity, loyalty, endurance and curiosity to operate internationally and to let the group work efficiently.

- Entrepreneurial behaviour

Pro-active and taking initiative and risk in foreign markets

- *Enthusiasm and dedication*

intrinsic motivation for the international work; high determination, vitality, energy and perseverance; dedicated and enthusiastic about work, finds inspiration and challenges and has pleasure in her/his work

Interview

- Respondents are asked to name three significant competencies for export intensity in current and ideal situation and react to
- Statement 1: *“The presence of international competencies in the firm contribute to higher export intensity.”*
- Statement 2: *“The owner/director has to be in command of all international competencies.”*

Current situation of family firms

	Knowledge		Skills					Behaviour
	Foreign languages	Commercial skills	Thinking skills	Relationship management	Intercultural skills & sensitivity	Leadership skills	Entrepreneurial behaviour	Enthusiasm & dedication
Ranking								
1	2		1	3	1		8	6
2	2	1	3	4	3	1	2	5
3	1	4	5	3	3	2	2	1
Totaal	5	5	9	10	7	3	12	12
	24%	24%	43%	48%	33%	14%	57%	57%

Ideal situation of family firms

	Knowledge		Skills				Behaviour	
	Foreign languages	Commercial skills	Thinking skills	Relationship management	Intercultural skills & sensitivity	Leadership skills	Entrepreneurial behaviour	Enthusiasm & dedication
Ranking								
1	1	6	1	3	1	2	3	4
2		1	3		3	3	8	4
3	2	2	5		3		3	4
Totaal	3	9	9	3	7	5	14	12
	14%	43%	43%	14%	33%	24%	67%	57%

Current situation non-family firms

Ranking	Knowledge		Skills					Behaviour	
	Foreign languages	Commercial skills	Thinking skills	Relationship management	Intercultural skills & sensitivity	Leadership skills	Entrepreneurial behaviour	Enthusiasm & dedication	
1	1	1	3				8	4	
2		3	1	6	3		1	3	
3	2	3	2	4	1	1	3	1	
Total	3	7	6	10	4	1	12	8	
	18%	41%	35%	59%	24%	6%	71%	47%	

Ideal situation non-family firms

Ranking	Knowledge		Skills					Behaviour	
	Foreign language	Commercial skills	Thinking skills	Relationship management	Inter-cultural skills & sensitivity	Leadership skills	Entrepreneurial behaviour	Enthusiasm & dedication	
1		3	1	1	2	1	7	2	
2	2	5		3	1	2	2	2	
3	1	2	3	5	3		2	1	
Total	3	10	4	9	6	3	11	5	
	18%	59%	24%	53%	35%	18%	65%	29%	

Further research

- The influence of international competencies and the geographical distribution.
- Which positions/employees have to possess which international competencies?
- Implications of the research results within companies and educational institutions.

Questions

- What could have been done differently and for what purpose?
- To what extent has the study contributed to new insights?
- Further research recommendations?