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# Evaluation of Enterprise Ireland International Selling Programme

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**Department of Jobs, Enterprise and Innovation**  
**An Roinn Post, Fiontar agus Nuálaíochta**

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## 7. Enterprise Ireland International Selling Programme 2006-2010

### Programme logic model

#### Objectives

- Generating and sustaining export sales from Enterprise Ireland client companies
- Supporting participants in the acquisition of knowledge and capability to:
  - Develop a robust sales strategy for sustainability and growth
  - Deepen understanding of their own potential and the confidence to go beyond familiar export markets such as the UK
  - Learn skills to develop sales capability including strategic positioning, sales process, culture, negotiation, routes to market, new customer acquisition, key account management, sales recruitment
  - Confidently and competently increase their export sales capability



#### Inputs

- Enterprise Ireland funding
- Indirect costs



#### Activities

- Executive series: Eight 2 day modules over an 11 month period
- Advisor Series: Five face-to-face sessions with a Business Advisor
- CEO Sponsor Series: 2 days for a senior colleague to help support dissemination of learning throughout the business



#### Outputs

- Programme participants awarded postgraduate diploma in international selling. The programme is accredited by DIT.



#### Outcomes and Impacts

- Enhanced ability of executives to access new markets and accelerated export sales growth of companies

## Evaluation aim

The aim of the evaluation is to assess the appropriateness, efficiency and effectiveness of Enterprise Ireland's International Selling Programme (ISP). This is an ex-post evaluation focusing on the period 2006 to 2010. The research and analysis on which this evaluation is based was carried out by an external consultant on behalf of Enterprise Ireland. Forfás have reviewed the analysis and have sought supplementary information from Enterprise Ireland where necessary to adhere to Forfás Framework for the Evaluation of Enterprise Supports.

## Programme background, objectives and target population

The International Selling Programme is Enterprise Ireland's export sales development programme, targeted exclusively at generating and sustaining export sales from Enterprise Ireland client companies. The programme has been operating since 2006.

The programme currently targets 90 Enterprise Ireland clients per year across three groups, typically including one group delivered in a regional location.

The current programme is designed and delivered over eleven months and structured around three elements:

1. **Executive Sales Series:** 15 days modular classroom delivery and a 2 day international buyer module. Each module is accompanied by practical, company-specific assignments and, at the end of the programme clients develop an international sales plan aligned to their company's overall business strategy and growth targets.
2. **Advisory Series:** Five one-to-one sessions per participant with a business advisor lasting 3 hours each. The business advisor helps participants to set objectives, implement learning and support the development of the participant's international sales plan.
3. **CEO Series:** Two days of specific content for the participant's CEO or relevant Senior Manager to help translate the programme learnings to the workplace.

The programme is accredited and participants who complete all aspects of the programme are awarded an internationally recognised qualification in sales management.

The objectives of the programme have been re-articulated in greater detail since 2008, but remain fundamentally consistent.

The 2006/2007 objectives were described as:

- Developing international sales strategies;
- Enhancing international selling skills;
- Managing international sales processes; and
- Winning increased sales exports

In 2008 the objectives were updated as:

- Generating and sustaining export sales from Enterprise Ireland client companies;
- Supporting participants in the acquisition of knowledge and capability to:
  - Develop a robust sales strategy for sustainability and growth;

- Deepen understanding of their own potential and the confidence to go beyond familiar export markets such as the UK;
- Learn skills to develop sales capability including strategic positioning, sales process, culture, negotiation, routes to market, new customer acquisition, key account management, sales recruitment; and to
- Confidently and competently increase their export sales capability.

Since 2011 the objectives have been described as:

Building on Enterprise Ireland's remit for Irish companies to grow their export sales, the programme aims to assist companies to:

- Deliver a tangible increase in the export sales;
- Develop a sustainable world class international sales structure capable of delivering increased profitable export sales in new markets with innovative products/services; and to
- Develop a realistic and implementable International Sales Plan that takes account of the resources available to the participating firms.

For the programme participants, the objectives are to:

- Learn how to develop an international sales strategy and ensure that it links in with the participant's business/corporate strategy;
- Gain a better understanding of how to address their customers needs and compete in constantly changing market conditions;
- Assess the attractiveness of international markets and prioritise the main actions required to win business in new markets;
- Understand the social and cultural challenges and practicalities of competing internationally and adjust their approach to their target markets;
- Define the sales process specific to their sector and how to win sales by following the sales process;
- Learn how to develop new channels/routes to market and to manage them efficiently;
- Learn the skills required in sales management;
- Understand how to grow export sales by focusing on key account management;
- Practice a range of interpersonal communication skills in addition to a range of personal selling skills;
- Understand and practice consultative selling techniques and strengthen negotiation skills; and to
- Learn how to put together a realistic and implementable international sales plan capable of being delivered within the resource capability of the firm.

It is evident that the programme objectives have become more refined over the years. The core objective of increasing exports remains clear. Short term business impact is measured based on the completion of interim company-specific assignments and overall progress by the company in implementing their International Sales Plan over a twelve month period.

## Programme rationale

Originally the programme was established in response to a clearly identified gap in export sales capability for Irish SMEs. The Forfás report *Innovate Market Sell* (2004) underlined the difficulties firms encounter sourcing experienced sales staff.<sup>1</sup> Enterprise Ireland also received feedback from their clients of the need for development in international sales skills of a type and nature that had not previously been available in Ireland.

The rationale for State intervention in the area of management development has been most clearly set out by the Management Development Council in 2010 in terms of a number of market failures. Having found that management skills are important for firm level productivity and for wider economic growth, and recognising that Irish SMEs have significant scope to improve their performance, the MDC considered the role that the State should play in promoting and funding management development.

The MDC found that participation in management development is sub-optimal and, in some cases, the development that is undertaken does not necessarily reflect the type of transformational, productivity-enhancing training advocated by them. Participation in management development is poor as a result of a number of factors, including:

- A lack of appreciation for the need for and benefits of management development, particularly among non-engaged SMEs;
- A perceived lack of relevance of programmes to the needs of micro and small firms;
- Confusion amongst potential customers over the range and quality of the courses on offer, as well as a lack of certainty over the content of the various courses and the competencies which participants would acquire;
- Limited regional access to relevant management development courses;
- Financial cost; and
- Time constraints.

These factors, aligned with the fact that individuals and firms often under-invest in their own skills due to their perceived inability to capture the returns to their investment have created a problem that can most efficiently be addressed through State funding for management development, combined with continued private sector funding.<sup>2</sup>

## Alignment with national policy

The 2004 report of the Enterprise Strategy Group (ESG) *Ahead of the Curve* identifies the international sales/marketing capability gap as a serious impediment to Irish companies in their drive to increase export sales and profitability.<sup>3</sup> The report sets out a focus on the importance of sales and marketing skills in rebalancing the capability profile of businesses in Ireland. For many firms, difficulties in sourcing suitably qualified and experienced sales and marketing staff can be an impediment to growth. Growing the national pool of sales and marketing specialists is therefore a key priority according to the report. This should be done at all levels, spanning

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<sup>1</sup> *Innovate, Market Sell*, Forfás, 2004

<sup>2</sup> Report of the Management Development Council, *Management Development in Ireland*, 2010

<sup>3</sup> *Ahead of the Curve* - Report of the Enterprise Strategy Group, 2004

recently qualified sales and marketing personnel, as well as drawing in from abroad professionals who are experienced in international sales and marketing.

Following on from the ESG report, an emphasis on management and international selling capabilities has also been evident in Enterprise Ireland Annual Reports since 2006. For example, the Enterprise Ireland Annual Report 2006 states that: “world-class management teams with strong international sales capabilities win business and attract investors. The new model of a knowledge-driven Irish economy needs the leadership of a new breed of Irish managers with a breadth of world-class skills and expertise across the whole spectrum of business disciplines. To achieve export growth it is therefore just as important to invest in building management capability as it is to tackle any other critical area of business development”.<sup>4</sup> The 2011 Enterprise Ireland Annual Report reflected the importance of skills and capabilities during a time of crisis: “Exceptional leaders and managers inspire exceptional performance. And right now, exceptional performance is not a luxury for Irish companies; it’s a necessity for survival”.<sup>5</sup>

Based on the above reports, there is an identifiable national policy priority placed on developing high level management skills for exporting. This programme therefore plays a clear role in addressing a skills gap that has been identified at national level.

### Evaluation methodology

To provide a robust framework for this evaluation a survey was designed to capture quantitative and qualitative data to address questions of impact at four levels and at two points in time. The survey framework is aligned with Kirkpatrick’s (1994) model for evaluating training programmes.

The model proposes that the higher level of outcomes flow in a chain from the lower levels (from 1 to 4, see below) of activity. The role of evaluation is to demonstrate, through quantitative data, the contribution that training makes to business value through this chain of evidence.

The questions the evaluation addresses are across the four levels:

1. **Reaction** - Did the ISP generate a positive reaction from participants in the context of a programme designed to explicitly support their international sales needs?
2. **Learning** - Did the participants:
  - report a deeper understanding of their own potential and the confidence to go beyond familiar export markets; and/or
  - learn skills to develop sales capability including strategic positioning, sales process, culture, negotiation, routes to market, new customer acquisition, key account management, sales recruitment?
3. **Behaviour change** - Have the participants reported the transfer of learning to the workplace in the form of:
  - New applied skills; and/or
  - Changes that have been implemented?
4. **Results** - Have the participants reported results that demonstrate:

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<sup>4</sup> Annual Report, Enterprise Ireland, 2006

<sup>5</sup> Annual Report, Enterprise Ireland, 2011

- The development of robust strategies for sustainability and growth; and/or
- Increased export capability?
- Has the business impact of these changes resulted in the generation and sustaining of export sales.<sup>1</sup>

From an initial list of 292 participants provided, 237 were deemed eligible to participate based on the availability of business impact data. 68 completed surveys were received and four were eliminated from the final analysis as there was no comparative data for before-after the programme. The sample contained two large companies which were distinct data outliers. These two companies were removed from the analysis as they would have had a disproportionate influence. There were 64 eligible responses, an effective response rate of over 27 percent. The majority of the responses were from established Enterprise Ireland companies with a good spread across sectors. The sampled participants are characterised as senior post holders with almost 80 percent at director level or higher, and experienced executives with an average work experience of almost 18 years.

In the sample, two companies were represented twice because they had two separate participants. Data from the most recent participant was retained and the second removed.

The majority of respondents are from the Enterprise Ireland “Established Company” category. There is a broad representation across Enterprise Ireland sectors and the full details are shown in Table 7.1.

**Table 7.1: Companies by Enterprise Ireland sector**

|   | Frequency | Percent |
|---|-----------|---------|
| Business and Consumer Services                | 6         | 9.4     |
| Cleantech & Electronics                       | 11        | 17.2    |
| Construction and Timber                       | 10        | 15.6    |
| Consumer Food, Horticulture & Seafood         | 3         | 4.7     |
| Engineering & Paper, Print & Packaging        | 4         | 6.3     |
| Finance & Enterprise Software                 | 6         | 9.4     |
| Financial Services & New Services Prospecting | 6         | 9.4     |
| Life Sciences                                 | 4         | 6.3     |
| Primary Meats                                 | 1         | 1.6     |
| Time Software                                 | 8         | 12.5    |
| Unknown                                       | 5         | 7.8     |
| Total   | 64        | 100.0   |

Respondents reported their primary functional expertise as sales (36 percent), general management (25 percent), operations/production (9 percent), technical/scientific (9 percent), finance (5 percent), and marketing (3 percent). Respondents reported from zero to over 20 years working with their companies, the mean was 8.3 years (n=57). Mean total career sales experience was 7.1 years (n=52) with outliers removed. Mean career international sales experience was 4.8 years (n=51) (15 participants reported less than one year international sales experience). Respondents had an average of 18 years total career work experience with a range of 4-30 (n=60).

## Inputs

Table 7.2: Inputs

| Year  | No. of part. | Indirect costs | Total Enterprise Ireland approvals | Total Enterprise Ireland payments | Total Company contribution | Total Programme costs |
|-------|--------------|----------------|------------------------------------|-----------------------------------|----------------------------|-----------------------|
| 2006  | 28           | €179,869       | €469,575                           | €453,562                          | 156,525                    | €649,444              |
| 2007  | 49           | €163,391       | €660,463                           | €577,489                          | €283,055                   | €1,106,909            |
| 2008  | 69           | €129,478       | €883,200                           | €906,500                          | €379,500                   | €1,392,178            |
| 2009  | 78           | €46,745        | €987,450                           | €919,743                          | €510,900                   | €1,545,095            |
| 2010  | 78           | €43,675        | €1,051,450                         | €786,201                          | €538,490                   | €1,633,615            |
| Total | 302          | €563,158       | €4,052,138                         | €3,643,495                        | €1,711,945                 | €6,327,241            |

\*Total Programme Costs = Indirect costs + Total Enterprise Ireland funded approved + Total company funded

Indirect costs were higher in the initial set up stage and were lower once the programme was up and running.



**Table 7.3: Cost per participant**

| Year | Cost per participant* |
|------|-----------------------|
| 2006 | €23,194               |
| 2007 | €22,590               |
| 2008 | €20,176               |
| 2009 | €19,809               |
| 2010 | €20,944               |

\*Cost per participant = Total programme cost/number of participants

## Outputs and activities

There were 302 participants from 281 companies over the period 2006 to 2010.

**Table 7.4: Number of participants and companies**

| Year | Number of participants | Number of companies |
|------|------------------------|---------------------|
| 2006 | 28                     | 27                  |
| 2007 | 49                     | 45                  |
| 2008 | 69                     | 65                  |
| 2009 | 78                     | 71                  |
| 2010 | 78                     | 73                  |

The percentage of participants that complete/graduate the programme vary on a year to year basis. Participants do not complete the programme due to a range of factors both related and not related to the programme (i.e. emigration, illness, participant departs company). Completion of the IGP (international growth plan) is a key output for Enterprise Ireland. Numbers graduating are impacted by actual submission of assignments and the quality of assignments.

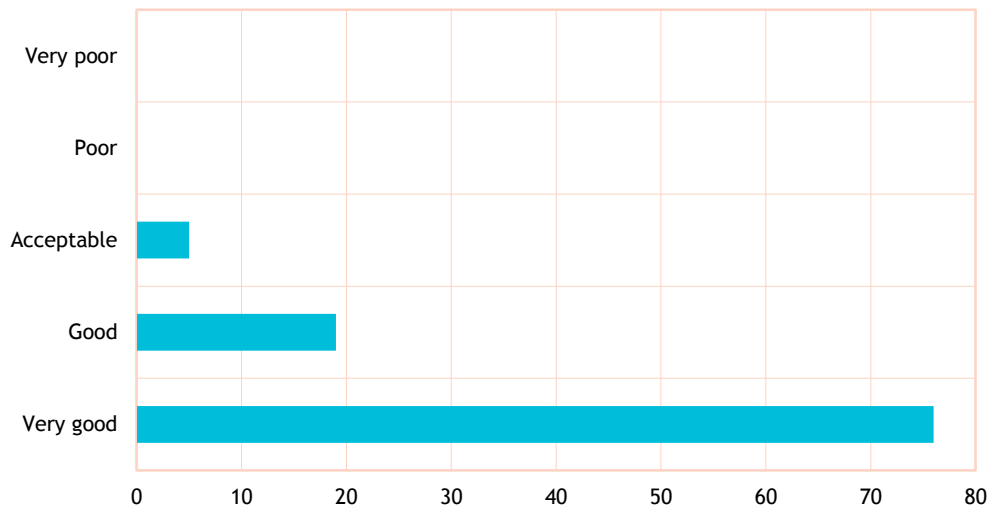
## Impacts and outcomes

### Reaction summary

Overall reaction to the programme is extremely positive with over 95 percent of respondents rating the programme as good or very good (19 percent good, 76 percent very good). In addition, 92 percent of respondents rated the programme as good or very good (31 percent good, 61 percent very good) in meeting their needs. As the companies are diverse this can be taken as an indication

that selection for the programme and adaptability of the design to individual needs functioned very well. Confidence in these responses can be drawn from the seniority and the experience levels of the executives who responded.

**Figure 7.1: Reaction to the programme**



Source: Company survey

The programme is designed for practicing managers and necessarily encroaches on busy schedules. It is therefore important that the programme provides effective administrative supports and 97 percent of the participants reported the administrative support as good or very good (14 percent good, 83 percent very good). In qualitative comments many of the participants made additional reference to the quality of the administration and the programme managers.

An analysis of the general comments about the programme identified no major themes, although the most common related to providing additional opportunities for peer learning.

In terms of suggested general improvements, a small number of participants mentioned that the programme was too broad, that the material was product focussed and could be more service oriented, the programme could be more solutions focussed rather than academic, and that the case studies should be more European rather than US. While the comments are worth noting, they were isolated and there was no general trend to them.

Overall, the general sense of the programme from both quantitative and qualitative responses was of a very high level of participant satisfaction. Of those who had taken part in similar programmes before (n=15) 73 percent rated this ISP as somewhat or significantly better.

**Learning summary**

Over 80 percent of respondents reported learning and personal performance improvement of somewhat or a lot against all of the key programme themes. In addition, respondents identified a broad range of other learning demonstrating both depth and breadth in the programme. These questions addressed personal learning outcomes beyond initial reaction to the programme.

Respondents also reported their belief that key areas of learning were translating into applied skills in the workplace.

**Table 7.5: Learning summary**

| Has the programme improved your performance in...? | Percentage |          |          |       |
|--|------------|----------|----------|-------|
|  | Not really | A little | Somewhat | A lot |
| Developing a clear strategic position              | 2          | 0        | 19       | 80    |
| Managing the sales process                         | 0          | 6        | 19       | 73    |
| Lead generation/ New customer acquisition          | 3          | 14       | 38       | 44    |
| Key account management                             | 2          | 11       | 20       | 53    |
| Competitive selling                                | 0          | 14       | 44       | 41    |
| Selecting routes to market/Channel management      | 6          | 19       | 23       | 45    |
| Developing market entry strategies                 | 5          | 13       | 31       | 48    |
| Understanding the cultures in your markets         | 9          | 14       | 28       | 47    |
| Presentation skills                                | 5          | 17       | 38       | 41    |
| Communicating and negotiating with buyers          | 0          | 8        | 25       | 52    |

Source: Company survey

The most highly rated areas were developing a clear strategic position and managing the sales process. The lowest rated areas were competitive selling, presentation skills, and lead generation.

In open form questions the most reported personal learning was how to manage the sales process. This was followed by knowledge of strategic positioning, and then issues related to culture, negotiation, planning and lead generation. A broad array of other items were mentioned, from identifying decision makers through to partnerships. This is a good indication that the core elements of sales planning are taking hold and the programme is addressing a wide range of other needs.

An analysis of reported development of applied skills identified five themes:

- Greater confidence (based on presentation skills and knowledge);
- Better management of the sales process;
- Improved pipeline management;
- Strategic positioning and ability to identify the customer “sweet spot”; and
- Improved negotiation skills;

This demonstrates that participants believe that the knowledge learned in the classroom is translating into applied skills in the workplace.

**Behaviour change summary**

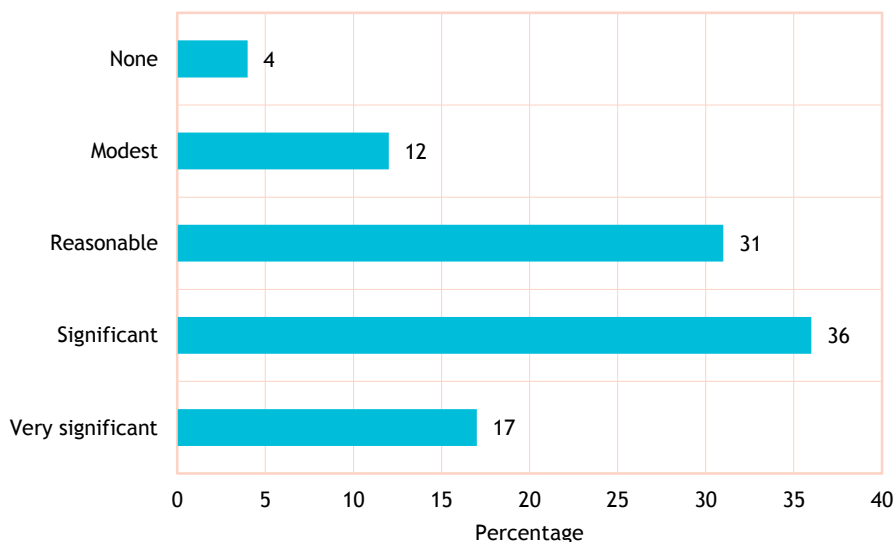
The survey results indicate that participation on the ISP has led to substantive changes in the behaviour of participants and has affected company activities.

Fifty-three percent of respondents reported significant or very significant business impact from the implementation of the sales plan (a central feature of the programme). Changes implemented as a result of the programmes included improvements to strategic planning, sales process management, pipeline management, greater focus and clarity of approach, use of Customer Relationship Management (CRM) tools, e-marketing/communications, and improved research activities. Ninety-seven percent of companies reported changes to the way the company operates as a result of the programme and 56 percent reported “a lot” of change as a result of the programme.

The preparation of a sales development plan was designed as a central element of the programme and the survey addressed the development, implementation and impact of the plan. Almost 90 percent of respondents reported that an international sales plan was implemented reasonably, very or extremely well.

Then focussing on the business impact of the sales plan, 53 percent of respondents reported that it had a significant or very significant impact on export sales contracts won. A further 31 percent reported a reasonable impact. The detail is shown in Figure 7.2 below.

**Figure 7.2: Business impact of the sales plan**



Source: Company survey

**Changes in specific activities**

To further review the changes made (if any) as a result of the sales plan, respondents were asked to rate the quality of their general sales plan and their international sales plan before and after

the programme. Respondents reported substantial changes (on a scale of 1 to 5, 5 being excellent). The general sales plan average rating went from 2.0 to 3.8. The international sales plan average rating went from 1.8 to 3.9 indicating that the impact of the ISP sales planning is influencing export sales planning and is having an extended effect on all sales planning. The programme is therefore having a generally positive impact on sales competence in the companies. These changes are substantive and statistically significant.

An analysis of open responses to “what was the most important change implemented as a result of the programme?” identified two dominant themes:

1. A more focussed approach to positioning and planning:
  - Clearly defined and communicated value proposition;
  - Focussed strategic plan;
  - Strategic position and sweet spot identification; and
  - Pricing and profitability.
2. A more professionally managed sales process:
  - Clear documented and managed process;
  - Better pipeline management;
  - Sales tracking, measurement and reporting;
  - Business battle cards; and
  - Targeted plans.

An analysis of the open responses to changes implemented in the sales process identified sales pipeline management as the dominant theme, followed by the implementation of CRM, Sales Management or other related systems.

Moving to a slightly broader remit, respondents were asked to identify changes implemented in their marketing processes. The most common change reported was the redesign or update of the company website, followed by the development of new marketing material. A number of companies reported using more social media and email campaigns. Several companies reported hiring a marketing consultant to develop this area.

Behind the individual themes was a common thread - the clarity the programme has (in terms of customer focus, product positioning, and the need for targeted activities) facilitated the development of websites, promotional material and communication plans with more confidence.

Respondents were asked to identify any changes implemented in their strategic planning processes. Some reported better integration across functions, more researching of opportunities, and more targeted approaches to development.

By far the dominant theme to emerge was the implementation of strategic planning processes and regular meetings. Many companies reported that they were now having strategic reviews for the first time.

### **Impact on company operations**

The responses indicate that companies are implementing changes in key areas where there is leverage to be gained. Companies are reporting changes to activities that shape the fundamentals of the business. Responses were elicited as to whether “in the context of sales, marketing and

planning for exports, participation on the programme lead to changes in the way the company operates?” Over 90 percent of companies reported some or a lot of change occurred. 56 percent of companies reported that participation in the programme lead to a lot of change in the way the company operates.

## Results

To provide the basis for assessing changes to company profitability from before to after the programme respondents were asked to provide a base year before their participation on programme for which could provide financial performance data and the most recent year for which they could provide data.

The base year ranged from 2005 to 2009 and the most recent year ranged from 2009 to 2011. The mode was 2008 for the base year and 2010 for the most recent year with an average difference of 2.3 years.

Turnover in the sample rose from an annual average of €5m to €8.4m per company.<sup>6</sup> The difference is statistically significant at the 95 percent confidence interval (interpreted as there being less than a 5 percent chance that the variations reported are due to a sampling error).

**Table 7.6: Turnover results (n=64)**

|                          | Annual average turnover |
|--------------------------|-------------------------|
| Base turnover (€)        | 4,997,801               |
| Most recent turnover (€) | 8,402,973               |

Source: Company survey

Profitability in the sample increased from an annual average of €81 thousand to €527 thousand per company. High Turnover companies (n=11) account for 88 percent of the net profits in the sample. This does not infer that there are no profitable companies in the smaller sample. There is a higher representation of loss making companies in the sample of smaller companies (as one would expect) which balances out the profits in that grouping.

**Table 7.7: Profitability results (n=64)**

|                                   | Annual average profitability |
|-----------------------------------|------------------------------|
| Base net profitability (€)        | 80,883                       |
| Most recent net profitability (€) | 526,963                      |

Source: Company survey

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<sup>6</sup> The data sample is robust and it is extremely unlikely that the outcomes are confined to the sample that completed the survey

The average increase in turnover varies widely across sectors (see Table 7.8 below) from a mean increase of €20m in Financial Services & New services prospects to a mean decrease of €1.2m in Construction & Timber - this decrease in turnover for construction companies is almost certainly due to the recession - however, it is important to note that while turnover decreased, exports increased indicating a shift to overseas markets as the domestic market collapsed. Profits from exports increased across all sectors in the sample population except Business and Consumer Services (n=6).

**Table 7.8: Breakdown of sales and export results by sector, average annual € (n=64)**

|   | N  |      | Sales increase | Export sales increase | Net profit increase | Export net profit increase |
|---|----|------|----------------|-----------------------|---------------------|----------------------------|
| Business & Consumer Services                  | 6  | Mean | 3,520,538      | 1,320,640             | 39,167              | (14,500)                   |
| Cleantec & Electronics                        | 11 | Mean | 2,827,458      | 3,432,709             | 184,183             | 169,666                    |
| Construction & Timber                         | 10 | Mean | (1,157,165)    | 585,761               | 55,613              | 110,880                    |
| Consumer food, horticulture & seafood         | 3  | Mean | (200,452)      | 276,214               | 52,433              | 57,015                     |
| Engineering & Paper, Print & Packaging        | 4  | Mean | 287,045        | 2,197,722             | 1,040,766           | 699,979                    |
| Finance & Enterprise Software                 | 6  | Mean | 661,431        | 1,028,752             | (108,833)           | 164,500                    |
| Financial Services & New Services Prospecting | 6  | Mean | 20,211,042     | 19,922,921            | 1,339,079           | 1,367,964                  |
| Life Sciences                                 | 4  | Mean | 2,155,176      | 1,880,100             | 317,075             | 252,032                    |
| Time Software                                 | 8  | Mean | 911,244        | 7,461,808             | 162,197             | 203,201                    |
| Other   | 5  | Mean | 7,076,548      | 825,194               | 2,304,846           | 2,313,546                  |

Source: Company survey

General employment rose in the companies (n=64) from 2,398 to 3,623. Staff related to export activities rose from 458 to 567. The increases while substantial are not significant at the 95 percent confidence interval. There is a 15 percent and 7 percent chance that the changes are accounted for by sampling error. This does not question the veracity of the increases in employment in the sample. It does mean that similar increases cannot reliably be inferred in the general population. A sectoral breakdown is provided in Table 7.9. The fall in employment in the

Construction and Timber sector can be most likely attributed to the collapse in the domestic property market.

**Table 7.9: Breakdown of employment results by sector (year of ISP completion 2006-2011, n=64)**

|   | Staff base   | Staff most recent <sup>7</sup> | Diff         | Export staff base | Export staff recent | Diff       |
|---|--------------|--------------------------------|--------------|-------------------|---------------------|------------|
| Business and Consumer Services                | 363          | 1,109                          | 746          | 38                | 213                 | 175        |
| Cleantech & Electronics                       | 446          | 471                            | 25           | 69                | 15                  | (54)       |
| Construction & Timber                         | 500          | 391                            | (109)        | 63                | 12                  | (51)       |
| Consumer Food, Horticulture & Seafood         | 40           | 52                             | 12           | 47                | 54                  | (7)        |
| Engineering & Paper, Print & Packaging        | 286          | 286                            | 0            | 12                | 43                  | 31         |
| Finance & Enterprise Software                 | 223          | 224                            | 1            | 39                | 39                  | 0          |
| Financial Services & New Services Prospecting | 203          | 329                            | 126          | 101               | 101                 | 0          |
| Life Sciences                                 | 79           | 99                             | 20           | 12                | 16                  | 4          |
| Time Software                                 | 168          | 194                            | 26           | 60                | 54                  | (6)        |
| Unknown                                       | 90           | 468                            | 378          | 17                | 20                  | 3          |
| <b>Total</b>                                  | <b>2,398</b> | <b>3,623</b>                   | <b>1,225</b> | <b>458</b>        | <b>567</b>          | <b>109</b> |

Source: Company survey

<sup>7</sup> The number of staff on the most recent year for which the company could provide data at the time study was undertaken.



**Table 7.10: Respondents identified exporting to over 40 additional countries and regions**

| Number of companies reporting new export markets |    |                |   |             |   |
|--|----|----------------|---|-------------|---|
| UK   | 18 | Canada         | 3 | Ghana       | 1 |
| Netherlands                                      | 12 | Cyprus         | 3 | Gibraltar   | 1 |
| Belgium  | 11 | Czech Republic | 3 | Hong Kong   | 1 |
| Germany  | 9  | Malaysia       | 3 | Hungary     | 1 |
| USA  | 9  | Mexico         | 3 | Israel      | 1 |
| France   | 8  | Russia         | 3 | Japan       | 1 |
| Middle East                                      | 6  | Singapore      | 3 | Jersey      | 1 |
| Italy  | 5  | Switzerland    | 3 | Luxemburg   | 1 |
| Sweden   | 5  | Denmark        | 2 | Mongolia    | 1 |
| Turkey   | 5  | Malta          | 2 | Nigeria     | 1 |
| Asia (other)                                     | 4  | Norway         | 2 | Portugal    | 1 |
| Brazil   | 4  | South Africa   | 2 | Puerto Rico | 1 |
| China  | 4  | Spain          | 2 | Slovenia    | 1 |
| Poland   | 4  | Afghanistan    | 1 | Thailand    | 1 |
| Australia  | 3  | Chile          | 1 |             |   |
| Austria  | 3  | Finland        | 1 |             |   |

Source: Company survey

### Business advisor

The primary role of the Business Advisor is to assist participants to translate their learning from the programme into business results. The value attributed to Business Advisors was more equivocal than that attributed to other aspects of the programme although there is a full range of responses. Some participants clearly gained significant value from advisors, others less so.

When asked whether Business Advisors should be used in future programmes, 40 percent of participants felt that the Business Advisor was essential to the programme and 20 percent felt it would be worth trading off some other elements of the programme to include the Business Advisors. In a less supportive response 27 percent of participants felt that Business Advisors should only be used if the resources are available and 8 percent felt Business Advisors should not be used in future programmes.

An analysis of the open responses revealed five themes:

- More frequent contact required with the Business Advisors;
- Business Advisors should be involved earlier;
- Business Advisors' activities should be more aligned with the course objectives;
- Fit of company-advisor was an issue in several cases based on industry knowledge and experience; and
- A small number of participants questioned the availability and commitment of their Business Advisors.

As changes were made to the method of appointing advisors from 2009, the pre 2009 participants responses were compared with those from 2009-2010. The ratings of advisors in the 2009-2010 group are better than those in the pre-2009 group. While this is a welcome improvement, the differences are not statistically significant and no generalisable conclusion can be drawn.

### Programme evolution since 2006

The ISP has evolved since its launch in 2006, while retaining a focus on supporting participant companies in improving their sales professionalism by embedding programme learning in the company. The DIT team maintains on-going analysis of participant learning outcomes coupled with monitoring of trends in business practice. This understanding informs DIT's approach to continuously evolving the three elements of the ISP - Executive Series, Business Advisor Series and CEO Series. The evolution of the three elements is outlined below.

### Executive series

The Executive Series represents the core of the Programme and requires the submission of a final International Growth Plan by each participant. The International Growth Plan is designed to act as an applied, realistic and robust tool that will inform the company's sales activities in a particular export market in the year following the programme. ISP Executive Series (i.e. modules 1 to 9) content and facilitators are reviewed on an on-going basis.

Since 2012 it has been deemed appropriate to introduce a half day content on the subject of finance. This was in response to feedback from the DIT Team following their assessment of International Growth Plans. They reported that the feasibility of some International Growth Plans was questionable as financial aspects were lacking. Finance was acknowledged as a topic which was fundamental to the success or failure of an international growth plan.

An increased emphasis has also been placed on blended learning, with the provision of recorded webinars to participants for each of the topics covered within the Executive Series. The webinars, which review key aspects of module content, are recorded by the facilitator and are made available to participants via the programme portal in advance of each module. In this way the webinar acts as a tool to support broader participant learning pre and/or post module. They also support implementation of programme content beyond the individual participant as participants are encouraged to share them with colleagues for that purpose.

## Business advisor series

The Business Advisor Series provides a dedicated Business Advisor to every participant on the programme for a total of five engagements. Prior to 2012 each participant had five on-on-one engagements with their Business Advisor. A subsequent review of the Business Advisor Series resulted in a change in approach which aimed to leverage the fact that many of the challenges that participants were facing in export markets were common. The introduction of two cohort group meetings within the Business Advisor Series was deemed appropriate to improve its impact. The cohort group meetings facilitated focused peer learning amongst smaller groups of participants (3 or 4 individuals) with similar challenges. In tandem with this development DIT appointed a lead Business Advisor to the programme team to further support the delivery of Business Advisor Series related objectives.

Other developments were as follows:

- Business Advisor Series Presentation at Module 1 - a detailed presentation is delivered to all participants, which includes content on the objectives of the Business Advisor Series;
- Business Challenges Report; completed by participants at Module 1. This document is used to inform the Business Advisor / Participant matching process;
- The correct fit between Business Advisor, participant and cohortg has been further informed through the development of detailed questions relating to personal and business challenges within the pre programme audit;
- Participants who are in the same cohort group (3 - 5 individuals) are allocated to the same Executive Series class group to support cohesion within the group. The two cohort group meetings have been anchored to two of the Executive Series modules. These initiatives aim to better support integration of the Business Advisor Series and programme proper;
- DIT introduced a group training sessions for all Business Advisors to ensure that the best practice ISP approach to Business Advisor engagements is communicated to all Business Advisors, in a forum where questions and discussion are facilitated;
- The Business Advisor panel receives a detailed handbook which includes a review of each module outlining key content and learning outcomes; and
- The Business Advisor panel has evolved on a year by year basis. The Business Advisor Series has seen 9 new high-calibre Business Advisors being introduced to the panel since 2012.

## Programme management

ISP participants continue to receive an online feedback survey from DIT immediately after each module of the programme in which their reactions to content, calibre of delivery, learning experience etc., are probed. Results are used by the DIT team to inform the development of content and training approaches for future modules. Top line results are also shared with the Business Advisor panel.

Participants are asked to complete a longer survey 6 months after they have finished the programme. A survey was distributed to the ISP 2012 class group (77 individuals) in May 2013 in order to gauge the programme's impact on an individual and company level. The survey was designed with reference to Kirkpatrick's Learning Evaluation Model and aimed to gather data which could aid understanding of programme impact at the four levels of the Kirkpatrick Framework. The 2013 class group will receive a similar survey in 2014.

The survey probed a number of areas including implementation of programme learning at a company level and perceived impact of programme participation on international sales revenues. 98 percent of participants cited positive changes in their approach to selling which they felt resulted directly from their participation on the programme. 88 percent of participants said that those changes were implemented beyond their own individual approach to the broader team or company level. 65 percent of respondents described those changes as either “radical” or “significant”. A similar sized majority (62 percent) said that they believed that they had already experienced international sales growth as a result of their participation. The balance of respondents to that question were also generally positive in that they envisaged that there would be international sales growth in the longer term as a result of their participation.

## Conclusions and findings

### Appropriateness

The programme is appropriate in that it is aligned to national policy for export led growth and Enterprise Ireland’s corporate strategy. It is clear that the objectives have become more ambitious and refined over the years, however, the core objective of the programme to increase capability in international sales is a constant. Some of the changes that have been implemented since 2012 aimed to improve participant experience include:

- 70 percent of participants had a one-on-one meeting with a member of the DIT team (usually in the participant’s place of work) in advance of the programme. These meetings provided the DIT team with in-depth insights into the participants’ business challenges in the context of their role, personal and business objectives, expectations of the programme etc.
- DIT programme managers continue to attend each module of the programme and the wider team oversees all participant assignment submissions. This equips the DIT team with an understanding of each participating company and the manner in which each participant is engaging with programme learning. For example, insights garnered from a review process of International Growth Plan submissions resulted in an increased emphasis placed on its operational and financial aspects.
- 90 percent of participants attended a one-on-one summer meeting with one of the DIT team. The purpose of the meeting was for a member of the team to share their insights and expertise with the participant, to provide optimum support for the development of an International Growth Plan for a designated export market.

### Efficiency

Indirect costs were higher in the initial set up stage and were lower once the programme was up and running. Overall cost per participant reduced between 2006 and 2010.

### Synergies/overlap

In terms of capability development, the programme is complemented by the Excel at Export Selling Series. Enterprise Ireland has developed a series of workshops entitled Excel at Export Selling aimed at embedding the tools of good international selling practice into the sales teams of

Irish companies across all industry sectors.<sup>8</sup> These workshops are designed to equip Irish companies with the skills to make an impact on international markets and master the fundamentals of export selling. Workshops include Value Proposition and Messaging, Pipeline Management and Partnering.

Enterprise Ireland indicates that the ISP programme also has synergies with a range of Market Research and Internationalisation Supports, including:

### **Strategic Marketing Review Grant**

Support to undertake an approved programme of work in conjunction with Enterprise Ireland advisers and an approved external consultant. This support is targeted at established companies that have experience in selling internationally and who are interested in reviewing and developing their market development strategy.

### **Internationalisation Grant**

This grant is aimed at contributing towards the costs of researching and exploring new international business opportunities. Eligible projects include 1) researching a new market for a new or existing product or 2) researching an existing market for a new product. Eligible costs may include; Salaries & Overheads (for clients with less than 50 employees), Consultancy Fees, Foreign Travel & Subsistence, Enterprise Ireland approved Business Accelerator Fees and Trade Fair costs.

### **New Geographic Market Research Grant**

Grant support to undertake an intensive 6 month market research assignment into a new geographic market. Eligible costs include salary costs of an employee placed in the market for up to 6 months, in-market consultancy fees and rent.

### **Graduates for International Growth (G4IG) Programme**

The programme matches graduates with companies to develop and execute plans to grow in key markets. Support available for the graduate salary and training. Call close date applies.

### **Acumen Programme**

A cross-border Business Development Programme designed to stimulate cross-border trade (between Northern Ireland and the Republic of Ireland) and develop other forms of commercial co-operation amongst SMEs throughout the island of Ireland.

### **Effectiveness**

The data demonstrates significant average increases in turnover and profitability in the sample. With 95 percent confidence it can be claimed that these improvements will be seen in the full population of companies taking part in the programme over a similar time period.

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<sup>8</sup> Further details [www.enterprise-ireland.com/excelatexporting](http://www.enterprise-ireland.com/excelatexporting)

The increases in employment in the sample are valid, however it cannot be claimed with the same level of confidence that these increases will be seen across the entire population. There is a 15 percent chance that the increases identified are affected by a sampling error.

However, the portion of the increased profit and turnover that can be attributed to participation in the ISP cannot be definitively established. There are too many potential variables and insufficient control data. This is common in approaches to level 4 analysis in the Kirkpatrick framework.

The evaluation has demonstrated that objectives at levels 1, 2, and 3 have been achieved to substantial and meaningful levels with unequivocally positive outcomes (from a very senior and experienced group of executives). Companies have also reported significant changes in performance outcomes (changes in the way the companies operate) at level 4, indicating improvement across a range of leveragable business activities. While there is no control sample in place it is unlikely that a control group who had not taken part in the programme would demonstrate a similarly cohesive demonstration of learning, applied skills development, and organisational change along the same objective skill sets. Additionally the respondents directly reported their belief that the programme directly affected these outcomes. The evaluation can therefore report with confidence that the programme has been shown to impact outcomes up to and including level 4.

It is difficult to quantify the outcomes in terms of financial and employment outcomes. There are many variables at play in the environment and there are time lags in financial outcomes. What can be reported, with confidence, is that the companies involved in the programme have had an average increase in turnover and profitability in a relatively short period of time subsequent to their participation. Such is the robustness of the data that these increases can confidently be inferred to the wider population of participating companies over a similar timeline and it is unlikely that the improvements are an artefact of the particular sample.

### Recommendations

There has been a significant focus by DIT and Enterprise Ireland on continuously monitoring, adapting and improving the ISP as needs arise. In addition, the programme objectives and rationale have been clearly articulated. In terms of future focus in monitoring and evaluation of the programme, Enterprise Ireland should consider the following:

- An ex-ante approach to programme evaluation should be articulated and designed. The ex-ante evaluation should document objectives for the programme, identify specific metrics, data collection methods etc. This should aim to capture quantitative and financial information from participants at the point of entry to the programme, enabling comparison through later evaluations. Quantitative metrics could include turnover, profitability, exports and employment. The ex-ante evaluation should also signal at which points future ex post or interim evaluations will be undertaken.
- The returns from investment in capability and management development can take years to realise. Enterprise Ireland should periodically monitor company performance beyond the 6 month survey conducted by DIT. This practice could be adopted as part of the evaluation process.
- Enterprise Ireland should assess how soft supports such as the ISP are working in combination with other supports such as R&D, scaling and internationalisation grants. It

could be of significant benefit to Enterprise Ireland to establish which combinations of soft supports and direct grants are most impactful.

- Future programme evaluations should seek to establish robust control groups. This would be most optimally done at the ex-ante evaluation stage. While this evaluation demonstrated increases in turnover, profitability, exports and employment among participant companies, it is not clear how much of this increase is directly attributable to the ISP. Similarly, it is not possible to establish deadweight as a result.

