

Foreign International Business Development Agencies

With all the recent talk of Trade Commissioner Service (TCS) Renewal and performance measurement, the department took a close look at what other countries are doing to promote their commercial interests overseas. Over the past few years, the Policy and Strategic Planning Division (TBX) has monitored the activities of foreign international business development (IBD) agencies, and has produced a five-part report on their various elements. The benchmark foreign IBD agencies are Austrade, the Irish Trade Board, the Norwegian Trade Council, the Swedish Trade Office, the Finnish Foreign Trade Association, Tradenz and, to a lesser extent, the British Overseas Trade Service. The report, which was presented to the Chief Trade Commissioner in August, covers the following topics:

- human resource development for IBD agencies;
- private-sector input to IBD agencies;
- charging for government IBD services;
- performance measurement systems for IBD agencies; and
- a comprehensive response to the evolution of the IBD function.

We plan to publish the five segments of the report in *TCS International*, starting with a look at how our competitors deal with human resource development issues.

HUMAN RESOURCE DEVELOPMENT FOR IBD AGENCIES

1. Recruitment

Our benchmark agencies are increasingly recruiting trade commissioners (TCs) from the private sector. They seek individuals who have international experience and a working knowledge of one or more foreign languages, as well as technical or sectoral skills. TCs are increasingly recruited on a contract basis. These agencies believe that staff with this type of background are better able to understand and serve their clients. Austrade recruits candidates who have lived or worked overseas, and who speak a foreign language, such as Mandarin, Japanese, Indonesian, German, Italian or Vietnamese. Fully 50 percent of Tradenz's offshore staff recruited in 1995-96 were

from the private sector. The Irish Trade Board recruits via contracts of three to five years for both domestic and international work. Finland's Senior Trade Commissioners are selected from industry and appointed by the agency's Board of Directors. They can stay up to seven years at a post, after which they may return to the private sector or apply for another TC position.

Many agencies are hiring a growing proportion of locally engaged staff (LES) for positions abroad, and are offering them increasing levels of responsibility. This provides posts with continuity and flexibility by acquiring sectoral and/or other local expertise, as needed. Contract recruitment of LES is also a growing trend, where local conditions allow. Britain's Overseas Trade Service depends increasingly on LES who are frequently chosen for their sectoral expertise. Since 1995, seven British trade offices have opened that are staffed exclusively by LES.

Many agencies are running successful trainee programs whereby students work at posts. They find the students provide a cost-effective additional resource while training potential new recruits for the agency or industry or the Ministry of Foreign Affairs (MFA). The Norwegian Trade Council (NTC) operates a popular Trainee Program, with the Norwegian MFA hiring graduates for two-year positions in overseas posts. A number of U.S. and Finnish trade offices also benefit from the services of interns who, for a modest stipend, work under guidance of the commercial specialists. In some U.S. posts, retired executives are also hired.

2. Training

Most benchmark agencies place a very strong emphasis on IBD training, particularly on consulting skills and best practices. They stress the importance of listening, understanding what the client needs, and then providing it in the best way possible, based on the collective experience of the agency. These agencies view IBD training as a way to improve the quality of the agency's services and to ensure consistency across their network. Moreover, extensive training focussed on an

CONTINUED ON PAGE 8