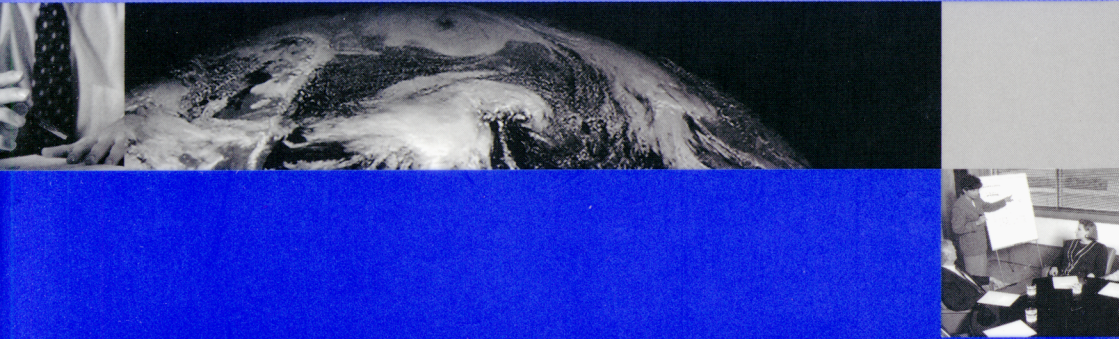


UWE SACHSE

Internationalisation of Medium-sized Enterprises

An Integrated Approach to Management Consulting





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Preface

If one takes a look around in today's business world, one can recognize a major shortage: time, and a major requirement: speed, speed, speed. The ability of an organization to learn faster than its worldwide competitors has been identified as a major source for achieving a sustainable competitive advantage. The need to take a global view to markets adds to the already existing complexity. Many, especially of the medium sized companies try to ignore the necessity to cope with the internationalization challenge, thereby missing good opportunities and sometimes even risking the bare existence of the company. The reasons for that behavior may be manifold, however, one suggested cause may be the lack of a clear picture of when and where to embark on the internationalization process or how to upgrade already existing international activities. There is the fear, that such a process is costly, risky, complex and time-consuming. This leads then frequently to an "internationalization by chance", that is rarely sustainable. Against this background it is obvious that there is a need for an approach towards internationalization, that takes the specific requirements of the medium sized companies into account, that is practical, less time-consuming and provides a holistic view.

Vision and strategy are important starting points for an internationalization process. The development of an international corporate culture, putting global corporate values and principles into practice and the creation of a global identity are of utmost importance in this context. They provide a framework of reference and therefore limit the complexity of going global. Regional, functional, organizational, customer and product specifics suggest „hybrid“ solutions, a single orientation does not meet the requirements of today's market places. The „adhocracies“ of global business on one hand and the increasing importance of knowledge as a main trigger for value creation on the other hand demonstrate the relevance of knowledge management. Clearly knowledge management is much more about human resources than about IT. Processes and incentives for capturing and sharing both explicit and implicit knowledge on a global scale demand careful attention.

These basic features of an international organization are not a precondition but rather a result of international activities. Internationalization activities, let it be export, strategic alliances or mergers & acquisitions, have to be build in the ongoing activities of the company. Therefore a flexible but at the time comprehensive approach towards internationalization is needed. The message for consultants in this field is clear: any intervention must add an immediate value to the companies international activities and at the same time help to establish sustainable international processes and structures. This has also implications for

international human resources development. Trainers and coaches are expected to deliver inputs which directly contribute to solving concrete business issues, tailor-made and just-in-time. The concept of „learning by earning“ can be perfectly applied to the development of international managers.

In this book Uwe Sachse suggests an approach to the development of international market-growth strategies for medium-sized enterprises, that meets the requirements of today's business world. He comes up with an integrated consulting approach, that is comprehensive and at the same time practical. Uwe Sachse built on the relevant previous work of the various relevant fields (e.g. international management, change management, intercultural management). As a special feature of this book the structure of the book reflects the learning process of the author. Based on the results of the desk research he conducted an empirical survey and asked managers of medium sized companies for a feedback. The analysis of the data guided him to draw conclusions for the further development of his approach.

I trust that managers of medium sized companies find this book useful and I do hope that it encourages many companies to face the challenge of the internationalization process.

Prof. Dr. R.-Dieter Reineke

(Head of the Post Graduate MBA-Program International Management
Consulting at the Ludwigshafen University of Applied Sciences)

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About the Author

Uwe Sachse is International Management Consultant in the area of marketing and strategic planning. His main field is the development of marketing and sales strategies and product- and brand positioning concepts. He has served as Marketing-Manager for several companies, including Electrolux, IBP and Schell, where he had direct responsibility for marketing and sales activities. Uwe has earned the MBA in International Management Consulting from the University of Lincoln/UK as well as the MBA in International Marketing from the Export-Academy in Reutlingen and graduated Heat- and Energy Technology from University of applied Sciences in Gießen. He has taught on the faculty of several universities and currently lectures International Marketing at the University in Gießen.

For Contact: Uwe Sachse, Neckarstraße 9, D-35625 Hüttenberg, Tel.: +49-6403-778-228, Fax.: +49-6403-778-229, email: uwe.sachse@gmx.de

Abstract

The subject of the work is the elaboration of an integrated consulting approach to the development of an international market-growth strategy for medium-sized enterprises.

With consideration to the current stand of theoretical aspects, the practical experience of the author and extensive literature research, the derivation of an integrated consulting approach was undertaken.

The developed approach is comprised of the main phase elements of Business Analysis, Strategic Planning, Re-Configuration and Monitoring and includes specific strategic components of the internationalisation of medium-sized enterprises. As a further significant element, an accompanying change management is introduced for each phase in order to evaluate and expand on the specific development of the medium-sized enterprise regarding corporate culture change.

The subsequently carried out empirical study confirmed the relevance, plausibility and applicability of the phase model. 88,2 % (from 15 enterprises) of the experts questioned affirmed that the presented phase model corresponded to the demands of the medium-sized enterprise.

The originally derived consulting approach was then revised and supplemented on the basis of impressions gained through the results of the empirical study. As a result of this discussion, the internationalisation road map and the handbook for internationalisation could be developed as a tool for implementation.