

VU Research Portal

Ready for international business

van Weerden, L.B.

2020

document version

Publisher's PDF, also known as Version of record

[Link to publication in VU Research Portal](#)

citation for published version (APA)

van Weerden, L. B. (2020). *Ready for international business: International Relation Competency as key qualification for graduates in international business*. [PhD-Thesis - Research and graduation internal, Vrije Universiteit Amsterdam].

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal

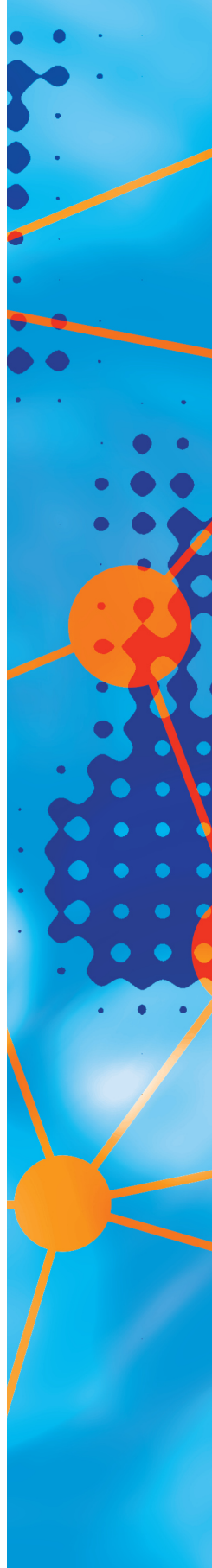
Take down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

E-mail address:

vuresearchportal.ub@vu.nl

Summary of the thesis



This dissertation examines the extent to which Universities of Applied Sciences adequately prepare International Business students for their first export job with SMEs.

Chapter 1, the introduction to the thesis, describes the context of the research. Due to globalization, export has developed into a mature field of expertise as managers are exposed to global strategies and a wide diversity of foreign customers and partners. Based on a summary of SMEs internationalization strategies, it appears that networking through building relationships with stakeholders in target markets is the most important strategy for entrepreneurs to gain access to potential international business partners. This means that relation management with related competencies are crucial for export managers working for SMEs. Since export managers are playing an increasingly important role in finding international customers, export jobs are becoming more relevant for SMEs. However, firms often lack the necessary financial resources, knowledge and skills, and human resources appears to be a major SME-specific barrier for internationalization. The lack of qualified export managers implies that firms have limited international knowledge and expertise to carry out international activities. The challenge for SMEs, then, is to access and acquire sufficient expertise, and one way to do so is to employ talented graduates in starting positions in internationalization who have recently completed a degree in international business at an institution of higher education.

The main research question of the thesis is to determine whether an international business studies curriculum, which prepares students for a career as a starting export professional, trains the relevant competencies required by internationalizing SMEs, being their future employers. This research question relates to the connection between the international business studies curriculum and international business practice.

The following studies were conducted in order to answer the research question:

- *International business: about the competencies of starting export professionals in SMEs*
- *International relation competency: a framework for initiating international relationships*
- *International relation competency in international business education*
- *The employability of graduates in international business.*

Social capital theory on international business refers to the mobilization of social networks of individuals in order to facilitate resources through these networks. The limited resources and knowledge of SMEs explain their need for international relations in order to gain access to information, financial resources, knowledge and market opportunities. For them, building social capital in unknown international markets is crucial, either by building personal relationships with potential clients or agents, or by asking for support

through the export measures of national governmental institutions. This implies that the capacity of export managers to mobilize relationships is central to creating and enhancing competitive advantage. It is expected that the initiation of relationships in international context in particular poses special challenges for graduates in their first export job with internationalizing SMEs. This study contributes to social capital theory by focusing on international relation competency to be developed by students during the international business bachelor degree.

The research studies as described in Chapters 3 through 6 follow a mixed method approach. The following section first describes the context of the studies and then presents the headlines of the main findings of the research related to the research questions mentioned above.

In Chapter 3, I explored which export tasks and related competencies directors and export managers of internationalizing SMEs from Germany and the Netherlands consider being crucial for students who start in their first export job after graduation. I concluded that the SME directors agreed that acquisition of new customers and building and maintaining relationships with potential business partners and stakeholders are the most important tasks for starting export professionals. Despite some variation in types of competencies between the Dutch and German views, the social competencies appeared to be decisive for the entrepreneurs when hiring a starting export professional. These results suggest that the consensus I found about the importance of relationship building with the related social competencies are also generalizable to internationalizing SMEs in other European countries. Moreover, the entrepreneurs strongly advocate a contextual learning approach during bachelor education so that students are given the opportunity to develop the relevant competencies through experiences in international business practice. Consequently, this study revealed the potential disconnect between education and business, something that has also been found in studies about employers' demands from business graduates.

In the study described in Chapter 4, I focussed on the initiation of international relationships, selected as the major task of starting export professionals according to internationalizing SMEs. I developed the international relation competency framework to give insight into the crucial qualifications graduates need to initiate international relationships in multicultural settings. The components of the theoretical IRC framework, which form the building blocks for the qualification of international business students, are expressed in knowledge, skills and attitudes, all based on the literature and empirical studies on relationship management. I selected only those attitudes that appear to be less stable over experience and time, thus making training in bachelor programs possible.

Based on a quantitative analysis of a survey among exporting Dutch SMEs, I defined three export tasks: strategic, marketing and relational tasks. Next, I found that only the functional knowledge component of the International Relation Competency framework was validated for the three selected export tasks. Obviously, the exchange of business information and insight into the customer needs give the relevant input for the three export tasks: the company's strategy, the operationalization of its marketing plans, and relationship building with potential business partners. Based on the theoretical international relation competency framework, however, I had expected that attitudes should play a significant role in the relational tasks, but the empirical data does not support this. The reason for this outcome could be that the three concepts of attitudes appear to be difficult to operationalize.

Nevertheless, the highly valued social competencies, such as attitudes, are consistent with findings in the studies on what employers demand from business graduates. Based on the importance that entrepreneurs attach to the impact of attitudes on building successful international business relations, they envision that it could be relevant to incorporate skills and attitude development into the curriculum of internationally oriented study programmes. For instance, the IRC framework could be used as input for the curriculum for several bachelor programmes in international business. In addition, the SME directors argued that the professional practice is an important source for skills and attitude development given the specifics of the situation and tasks that the international employee carries out.

Chapter 5 described a study that is related to the main goal of this thesis: the integration of international relation competency into the bachelor programme in international business. Based on theories about competency development and competency-based learning, I expected that international relation competency with its selected knowledge, attitudes and skills that underlie the successful job performance of starting export professionals would be integrated with the curriculum of the bachelor programme International Business & Languages (IBL). Moreover, I expected an educational environment that stimulates the development of international relation competency. In general, the findings did not support my expectations and there appeared to be a mismatch between companies' needs and the IBL curriculum: relation management, together with relevant skills and attitudes, are almost absent in the IBL curriculum.

An important finding was that, although relationship building is included in the mission of IBL and strongly supported by the academic staff, international relation competency as a construct is not explicitly integrated into the curriculum. It seems as if the academic staff are not fully aware of how to integrate the domain-specific knowledge, skills and attitudes into their teaching courses. Moreover, there appears to be no teaching in theories

on relation management and some teachers only briefly touch upon the development of selected attitudes. The results of a questionnaire study among IBL alumni supported these findings, given their lack of knowledge on relation management and their limited ability in the social initiative and open-mindedness. These results illustrated not only the lack of synergy between education and business practice but also the difficulty in developing the relevant attitudes which are a prerequisite for building international business relationships. This lack of synergy could be a result of the limited collaboration between the academic staff with the internationalizing SMEs. Lecturers and students could stay up to date on internationalization processes by following specially designed trainee programmes run by SMEs.

Another noteworthy finding concerns the assessment of the attitudes and skills in the educational context, which remains a difficult point. Various studies have argued that the development and assessment of soft skills need to receive higher priority within the curricula in international business. The assessment of teaching courses is usually related to (study) grades that are defined by the development of knowledge acquisition, which is not the case with skills and attitudes. Most competency measurements focus on general concepts such as communication, global management, cultural sensitivity or relation management and do not include the attitudes with regard to relationship building in international settings. Moreover, it is difficult to find a measure focusing on IRC in competency-based educational settings.

In the study described in Chapter 6, I focused on the impact of the disconnect between the IBL education and international business practice on the employability of graduates according to SME employers and IBL alumni. Based on research studies on the discrepancies between the practitioner and academic interest, I expected to see a negative effect of the disconnect on the employability of IBL graduates. The findings of the questionnaire among directors from internationalizing SMEs and IBL alumni supported the idea that the disconnect negatively affects the employability of graduates. For both the alumni and the employers, this negative impact primarily related to the limited time spent on the development of relevant skills and attitudes in international work practices. This results in students being ill prepared to start their first international jobs with internationalizing SMEs.

To improve employability, the employers and the IBL alumni argued that the focus should come to lie on the development of international relation competency through authentic experiential learning. Experiential learning has its focus on the process of acquiring knowledge and developing skills and attitudes through direct experiences by involving the learner in work practice instead of academic studying a subject through class-room

based techniques'. Universities of Applied Sciences, in particular, are expected to engage with external business for the benefit of regional economic performance. The collaboration between university and business offers benefits for the students, as has been recognized by the IBL alumni as described in Chapter 5. This implies that education should be immersed in practice but, unfortunately, connections are few and far between. Based on the findings of my thesis, I support the idea that education should return to the centre of professional reality with a renewed focus on expertise development in practice.

Chapter 7 summarizes the main findings of the studies described in the Chapters 3-6, describes strengths and weaknesses of the studies and presents recommendations for further research and the implications for international business education. The studies have demonstrated the disconnect between the international business studies curriculum and international business practice with regard to competency development in relationship building, valued by internationalizing SMEs as the most important export task for graduates in their first export job. The studies further improved the understanding of the selected knowledge, skills and attitudes of international relation competency, which is the ability of graduates to initiate relationships with foreign business partners. Based on the results it can be concluded that this disconnect is due to the lack of work experience in authentic international business settings and inadequate competencies, especially the IRC-related attitudes and communication skills. Additionally, the research has shown that this disconnect has some negative impact on the employability of graduates. Nevertheless, employers perceived the great potential for the development of graduates' international relation competency which, combined with experiential learning experiences and metacognition, is bound to narrow the disconnect between employers' needs and international business education.

The strengths of the research are the use of a mixed methods research approach, the fact that the research was examined from the perspectives of the internationalizing SMEs, lecturers, and alumni, and their strong appeal to Institutions of Higher Education to enhance learning in authentic export business environments during bachelor education. The limitations refer to the operationalization of the independent variables into measurable items and the small sample size of IBL alumni due to their limited participation. Another limitation of the study concerns the assessment of international relation competency as the study described in Chapter 3 does not measure the extent to which the graduates possess international relation competency but rather examines the perceptions from the directors of internationalizing SMEs on the components of the IRC framework.

Chapter 7 also describes the contributions of the studies regarding the 21st competency profile of international managers, a broader understanding of the concept of international relation competency and its relation to international business education. With regard to the latter, two features deserve more attention from business educators: experiential learning and metacognition as mediating constructs for IRC development in a bachelor education.

Finally, the chapter defines some recommendations for further research such as research into the assessment of IRC. Another topic for further research relates to the way in which authentic experiential learning can enhance the development of IRC and what role lecturers could play. Since employers are placing considerable importance on the development of attitudes and skills elements of international relation competency in the actual work practice, its success depends on the active engagement of internationalizing SMEs in the bachelor programme. Therefore, further research on structural collaborations between education and business leading to the integration of employers' needs into the curricula of bachelor programmes is recommended.