Session 3: Required Changes in Trade Support Services

Workshop A: FOREIGN TRADE REPRESENTATION:
No Longer Economic Diplomacy

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A Day in the Life of a Trade Commissioner...

**1900**

John Larke arrives in Australia.

"...some of the principal houses in the various Colonies, who were handling mechanical rubber goods..."

Mr Abercrombie is expecting me for tea.

8 months later, back in Canada...

**1950**

They're adding another weekly flight to Australia.

"...to investigate partnership opportunities with regards to Robertson screwdrivers..."

Over the next few weeks, the search for contacts progresses.

3 months later, a list of potential partners arrives."
1985: interested in developing supplier relationships with aerospace industry.

Today: please e-mail a list of resellers for fibre optic equipment.

I've found your name in the Australian manufacturers' guide.

A few weeks later, Canadian client receives detailed information by fax.

Our contacts in this sector include parts manufacturers, distributors.

Within 5 days, the Canadian business client receives contact information.
Canadian Trade Commissioner Service:
(outside Ottawa Headquarters)

- Over 140 posts abroad, with 240 rotational Trade Commissioners and 640 locally-engaged staff
- 12 regional offices across Canada with 100 Trade Commissioners

Virtual Trade Commissioner:

- Personalized web-based service for registered clients
Six Core Services at Posts (for Clients)

- **Market Prospect:** Assess the potential in target market and provide advice on doing business in the market, an indication of major barriers, regulations and certifications, as well as suggested next steps.
- **Key Contacts Search:** List of qualified contacts in target market that have the local knowledge needed to implement client market entry strategy. The list can include potential buyers and partners, financial institutions, technology sources, agents and manufacturer’s representatives.
- **Local Company Information:** Information on local organizations or companies identified by clients.
- **Visit Information:** Practical advice on timing and organizing a trip, including lists of local hotels, interpreters and translators, local support services and notification of trade events and activities.
- **Face-to-Face Briefing:** Meeting with officer to discuss client’s future needs, the most recent developments in target market, as well as a follow-up plan.
- **Troubleshooting:** Advice on resolving market access problems and other business challenges.
What is our value-added?

Core Services

- Intelligence
- Network of contacts
- Support client’s credibility in market
- Intermediation

VALUE-ADDED

- Clarity
- Client expectations
- Consistency
Client demands are evolving in response to the new global trade environment

- Value Chains
- Sourcing
- Venture Capital
- Market Access
- Canadian Direct Investment Abroad
- Strategic Partnerships
- Science & Technology
- Foreign Direct Investment
Time has come to ask:
Do the services we currently offer respond to our clients’ needs in the face of the new global trade environment?

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Some Alternate Representation Abroad Models

- Locally-engaged staff only
- Mobile mission (portable building, trailer)
- Diplomat or public servant in a suitcase
- Single purpose office
- Public servant in a private office
- Government agency contractor
- Local private contractor
Commitment to Performance Measurement

We are firmly committed to effective business planning and to performance measurement.

- Performance measurement is more than about accounting for resources.
  - It is understood across the Department to be an integral part of good management.
  - It is key to making informed decisions about future courses of action at all levels of the organization.
Many initiatives, processes and tools are in place to gauge and report on expected results:

- A Business Planning Framework sets out the strategic direction, key priorities, expected results and performance measures.
- Business Planning and Reporting: web-based application allows missions and Regional Offices to develop and share plans and reports.
  - Plans are based on results achieved in previous year.
  - Plans and reports are reviewed and commented.

- Managers’ Performance Agreements integrate broad departmental priorities and results achieved.
Trade client survey now on-line

  - Challenge in that some clients were contacted many months after service was provided – no immediacy, raises reliability issues

New on-line client survey
  - Pilot testing a new on-line survey: results have currently being assess, and results are very favourable

Two categories of results are captured:
  - Client satisfaction with service delivery
  - The business results achieved and clients’ perception of our contribution to those results

Build within our e-CRM (TRIO)
  - Will be sent to clients having received a certain threshold of services
  - Sample size expected to provide data for the department and for missions
Global Learning Initiative

What Guides our Training Strategy?

1. The Client Survey
2. The Employee Survey
The Global Learning Initiative courses:

- Phase 1 for Commercial Program Managers
- Phase 2 for Commercial/Economic Staff
The Global Learning Initiative: Tombstone Data

- **Phase 1 for Managers:**
  - Mandatory for outgoing managers
  - Average cost per participant: US$2,950

- **Phase 2 for Staff:**
  - Mandatory for outgoing officers
  - By end of March 2007, 950 staff will have been trained in 43 sessions (27 abroad) between February 2005 and March 2007
  - Average cost per participant: US$1,300 (total over US$1.11 million)
Lessons Learned from the GLI

- **Invest in your people**, your most valuable asset
- **Deliver training in-house**, not with consultants
- **Use adult-learning experts** in course development
- **Train on actual job functions**, not simply of theoretical issues as employees want training customized
- **Use senior management** in training, it is critical for employee and course buy-in
Corporate Social Responsibility
- What is it? -

- The way a corporation interacts with stakeholders in society to address complex issues such as labour rights, environmental protection, bribery and corruption, and human rights.

- International norms and principles, e.g. the OECD Guidelines for MNEs

- Prevents problems before they arise

- Helps ensure global competitiveness
CSR Role of Canadian Posts

Now:
- Incorporate CSR messaging into the six core services
- Encourage clients to obey local law and regulations
- Provide information on the OECD Guidelines, the Corruption of Foreign Public Officials Act
- Provide advice on CSR to clients that is specific to the region

In the Future:
- More training and information will be made available so staff may better perform their job as it relates to CSR
- New tools and information will reflect the Government of Canada’s upcoming policy on CSR