

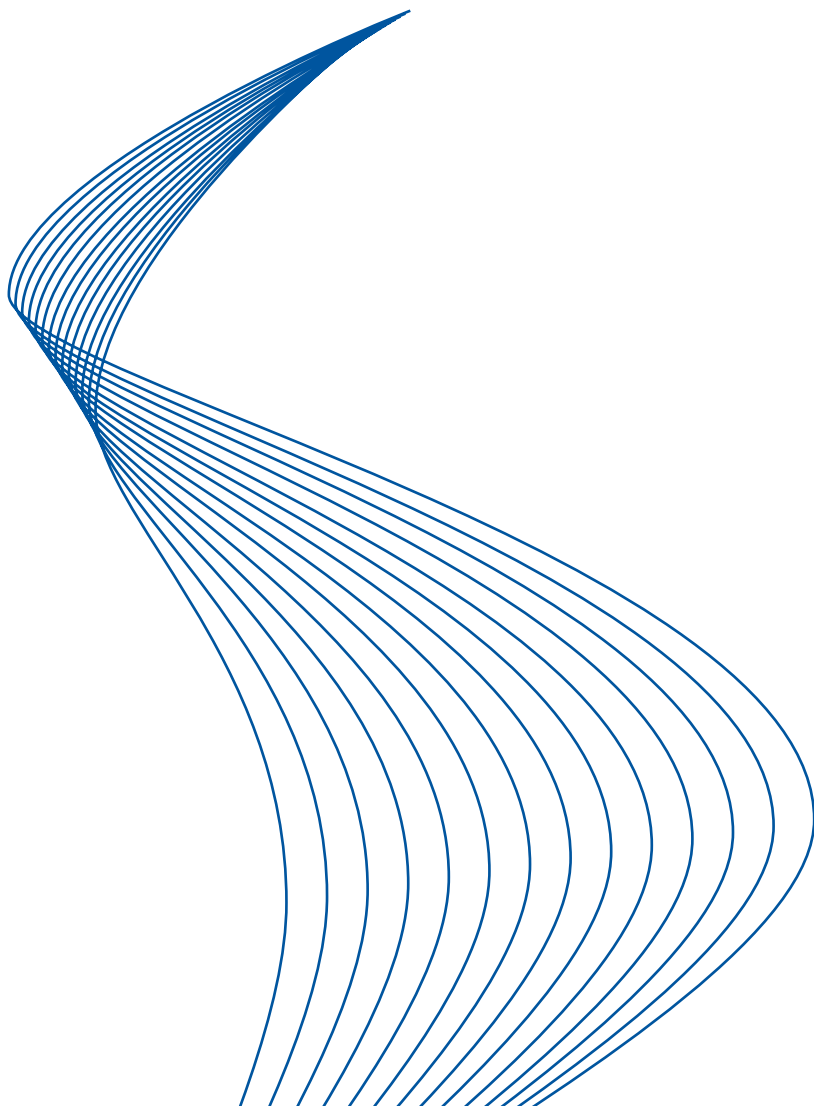


International Trade Centre
UNCTAD / WTO

Partnering for Excellence Programmes



E-Trade



The Concept

Over and above the well documented "digital-divide" and "access-divide", studies reveal that the use of ICTs by SMEs remains low, even in countries where infrastructure and access are adequate. This is called the "use-divide"

The accelerated development of Information and Communication Technology (ICT), coupled with the effects of globalization, has profound implications for economic development, trade and the competitiveness of businesses. Understanding and using e-solutions has become a major determinant of any company's competitiveness, particularly that of small and medium-sized enterprises (SMEs). However, SMEs worldwide tend to underutilise ICTs and this is especially the case in developing countries. There are two obvious reasons for this. Firstly, the significant gap between developing and developed countries in the availability of ICT infrastructure which is referred to as the "digital-divide". Secondly, the cost of utilizing ICTs is relatively higher in most developing countries and can vary widely within a country. This is known as the "access-divide". Nevertheless, even in countries with a well-developed ICT infrastructure and ample access to ICTs, SMEs are slower than large businesses to adopt e-solutions. This is the "use-divide". Many large technical cooperation projects already focus on bridging the "digital-divide" and "access-divide". The programmes that address the "use-divide" often do so by presenting e-solutions to managers, rather than address the root causes of the problem.

The use-divide results from the inability of managers to decide where, when, why and how to use e-solutions.

The "Use-divide" is a consequence of the inability of managers to decide where, when and why to use e-solutions and to assess the impact of e-solutions on other areas of business management. Both of these inability are indications of a lack of management competence. Thus, programmes aiming at incorporating ICTs into the business management processes of SMEs will be more likely to achieve their objective if they first build the management competence of the managers before introducing e-solutions. Integrating management competence with e-trade competence is called "addressing the use-divide".



ITC's Contribution

ITC has made a significant contribution to addressing the "use-divide" by building the e-Trade components for strengthening the strategic and export competence of managers with more SMEs, links e-trade to the competitiveness of SMEs. To implement its approach, ITC develops

- 1) Train a critical mass of skilled trainers and consultants who understand the approach
- 2) Build the strategic and export competences of SME managers and integrate them
- 3) Provide practical examples of ICT use by SMEs in different product and service



EMDS **E**-Trade Bridge Programme Overview



The programme begins with an intensive training component which aims to build a national capacity to train, counsel and consult with SMEs on how to adopt ICT effectively and efficiently to increase their competitiveness. In cooperation with its partner organization, ITC selects a highly qualified group of participants from different backgrounds to build a critical mass of national trainers and consultants.

Participants in the programme are first equipped with a comprehensive overview of all aspects of managing a business, based on its proprietary Business Management System (BMS). This training equips them with the knowledge and skills to formulate programmes addressing business strategy design, the preparation of implementation plans, marketing and production capabilities, export transactions, and the use of e-solutions to improve efficiency and effectiveness. Participants are expected to undertake fieldwork to sharpen their practical skills. Those who complete training successfully are certified as trainers.

The certified trainers then launch the e-enabling SMEs component of the e-Trade Bridge programme. Throughout this phase a selected group of SMEs, chosen by ITC's partner organization, receive direct assistance.



Following a careful diagnosis of the enterprise to assess the managerial weaknesses, the certified trainers design programmes to build management and export competence of the managers. This component aims at strengthening the capabilities of managers to decide where, when and why to use e-solutions and at assessing the impact of e-solutions on other areas of business management, in other words, bridging the "use-divide".

To help managers select appropriate e-solutions, ITC has compiled and published a comprehensive survey of e-solutions for business and management, as well as case studies from around the globe showcasing successful applications of e-solutions by SMEs.

ITC established the e-Trade Bridge Programme to address the "use-divide". The programme has components to train trainers who would then provide direct assistance to SME managers for incorporating e-solutions into their business management processes. The process integrates management, export, and "e" competencies.

e-Trade Bridge, a unique programme that integrates training modules introducing e-solutions. This approach, "e-enabling" developed a programme to:

Application of ICT to the business management processes of SMEs;
These with e-competence;
The sectors as a way of encouraging other managers to take action.





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The International Trade Centre (ITC) is the joint technical cooperation agency of the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO) for business aspects of trade development.



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