



AIM for Results: Benchmarking and Strengthening TISI Impact

IN BRIEF

The ITC AIM for Results Programme assists trade and investment support institutions (TISIs) to provide more effective services to their small and medium-sized enterprise (SME) clients. AIM's 'assess-improve-measure' approach, its benchmarking platform and performance toolkit contribute to improving the performance of TISIs, which play a key part in extending the international reach of developing country SMEs.

THE PROBLEM AND ITC SOLUTION

TISIs, including national trade promotion organizations (TPOs), chambers of commerce, sector and women entrepreneurs' associations, are essential to the internationalization of SMEs in least developed and developing countries. But they can fail to deliver because of poor management, lack of access to expertise or limited optimization of the resources at their disposal.

When TISIs are efficient, they provide effective support to SMEs through advocacy, networking, direct services and market development. TISIs are also essential partners for both bilateral and multilateral trade-related technical assistance (TRTA) providers.

A recent joint study by ITC and the European TPO network (ETPO)¹, with data from 77 countries,

demonstrates that for each additional dollar invested in performing TISIs, there is a return in additional exports of more than US\$ 80 and an average additional impact on per capita gross domestic product (GDP) of more than US\$ 380. The study underscores the importance of robust TISIs and shows the impact that institutional development programmes like AIM for Results can have.

So far, ITC experts have assessed 46 TISIs around the globe on the basis of 225 criteria. At the core of the programme is the AIM For Results methodology (assess-improve-measure), the ITC benchmarking platform and a toolkit customized to meet the performance improvement needs of each TISI.

IMPACT

Qualitative client surveys confirm that the AIM methodology helps change the behaviour and improve the performance and confidence of participating TISIs, which directly affects the way they deliver services to

their SME clients. This in turn results in more business for the companies they assist. Case studies are being shared with the TISI community, allowing members to learn from good practices.

¹ Olarreaga, M., S. Sperlich, and V. Traschsel (2015, forthcoming), Export Promotion: evaluating the impact on aggregate exports and GDP. International Trade Centre.

Examples of ITC interventions include the following:

- When ZimTrade, Zimbabwe's national trade development and promotion organization, received its benchmarking results in December 2013, it was clear that a great deal of work lay ahead for it to again become the high-quality organization it had once been. Management and staff fully embraced the planning process for ZimTrade's performance improvement roadmap, part of the AIM toolkit. In 18 months, ZimTrade has made excellent progress in its improvement programme, with ITC support. The latest work has centred on client management, client-needs analysis and service portfolio development, and the organization is making structural changes to enhance its effectiveness.

Although ZimTrade still has some way to go to complete its improvement programme, results are already evident and the organization is receiving national recognition for its work and leadership. In 2015, it was recognized as Zimbabwe's Top Business Support Organization and its Chief Executive Officer was awarded Top CEO of the Year by Zimbabwe Business Awards.

- In August 2014, ITC carried out a benchmarking assessment of the institutional performance of the Bangladesh Association of Software and Information Services (BASIS). Further to this, BASIS, together with ITC, designed and started implementing a Performance Improvement Roadmap in 2015 with a view to developing its capacity to grow its membership and support the sustainable development of the information technology (IT) and IT enabled services (ITES) sector in Bangladesh.

With the help of ITC's Institutional Development Team, clear priorities have been established around the market opportunities for the industry and framed

within a three-year strategy for the association in mid-2015, followed by the deployment of a new Results Measurement and Staff Competency Framework. Less than a year into the implementation of its performance improvement plan, BASIS has initiated a restructuring of the organization and is establishing a comprehensive result measurement system. Early results are encouraging: membership has grown from less than 800 members to more than 900 members.

- The Kenya IT and Outsourcing Services Association (KITOS) has matured since it was created in 2012 to represent the interests of the country's IT industry. From a volunteer organization with no secretariat and just eight companies as paying members, today KITOS has a full-time chief executive, a membership that has more than tripled and a commitment to empower women in the IT sector. KITOS teaches by example – the industry association is an all-female organization (apart from its chairman) and two women sit on its board.

KITOS last year took an important step to develop a sustainable business model further to its benchmarking, which was co-funded by AIM For Results, and showed the organization what steps are needed to facilitate global trade. ITC's TISI Strengthening Team has been guiding KITOS on how to build up a service portfolio that can be monetized. In-depth business-to-business (B2B) matchmaking training has also paid off. KITOS recently organized its own B2B event between its members and a Bangladeshi delegation. This included advertising the event, collecting expressions of interest, scheduling meetings and distributing invitations. The event helped boost exports of SMEs in Kenya's IT and ITES industry, and created global partnerships to allow sustainable trade between countries, especially developing countries.