

Fit for Partnership with Germany Journal

ISSUE 2 | 2013
ENGLISH

MANAGER TRAINING PROGRAMME OF THE GERMAN FEDERAL MINISTRY OF ECONOMICS AND TECHNOLOGY



In Focus: The Mittelstand



9th International Partner Conference

Exchange on the Medium
Business Sector and on the
Programme's Development
Page 10



India

Alumni visit a German
Company in Chennai
Page 48

IN FOCUS: THE MITTELSTAND

PAGE 34



EDITORIAL

3

Trademark Protection for Regional Products	14
Impressed by the Planning and Organisation	16
Business Talks in Bonn	17
Chinese Executives in Bavaria	18
Executives from Belarus and Moldova Filled with Enthusiasm	20
Recycling as the First Step Towards Sustainable Management	21
'30 Companies in 30 Days'	22

NEWS

4-9



Mexico as a New Partner Country in the Manager Training Programme	4
Stimulus for Economic Cooperation	5
Talks with Tunisia	5
Central Asia Economic Conference Shows the Significance of the Manager Training Programme	6
Positive Balance in Mongolia	7
GIZ Contract Extended	8
15 Years of the Manager Training Programme in Russia	8
Cooperation with Ukraine Prolonged until 2016	9
Steering Committee Affirms Innovation	9

GERMANY

10-23

Exchange on the Medium Business Sector and on the Programme's Development	10
'I am a Fan of the Programme'	13

PARTNER COUNTRIES

24-33



Well Prepared for Siberia	24
'Fit for Business with China' Successfully Continued	26
Ukraine: New Partner Networks in the Regions	27
Azerbaijan's Emerging Economy also Needs German Partners in the Future	28
First Euro-Asian Forum of the Business Communities	30



Foreign Trade of the MP Partner Countries with Germany (2012)	32
---	----

IN FOCUS

34-45

The Mittelstand	34
The Heart of the German Economy	34
The „German Mittelstand“ Initiative	35
Financially Strong, Innovative, Export-Oriented	37
Small and Medium-Sized Enterprises in the Partner Countries	39
The Hidden Champions and their Keys to Success	42
Medium-Sized German Company Sets its Sights on Vietnam	44
Entry into the Vietnamese Healthcare Industry	45



ALUMNI

46-54

DRMN – Strong Association, Strong Members	46
The Eleventh 'Baikal Forum for Managers'	47
Alumni Visit a German Company in Chennai	48
With Expert Knowledge from Germany: Fit for the European Market	49



The Follow-Up Contact Work is Speeding Up in Moldova	51
Trademarks From Central Asia	52
A Blueprint for Successful Exchange	53

SUCCESSFUL PARTICIPANTS

55-60

Natalia Zolotaya: Tuning in Belarus	55
Ranji Oraby: 'I Want to Take the Business Forward'	56
Li Nan: Building to German Quality Standards in China	57
Malika Abduganiyeva: See With Your Own Eyes	58
Hans-Jürgen Weißer: New Teaching Methods for Russian Universities	60

SPECIALISED TOPICS

61-67

Risk Management in an International Context	61
Motivating Employees in Daily Business	64
The Secret to Successful Brands	66

IMPRINT

63

GIZ CONTACT INFORMATION

68

Dear friends of the Manager Training Programme!

Even after 15 years, the international Manager Training Programme (MP) is still very lively and is continuing to develop. This impression from the Partner Conference is still fresh in my mind. The MP has grown from being a German contribution to the Russian President's Programme to an independent, international programme for which there is now demand in 16 countries.

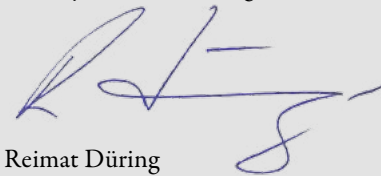
Against this background, the 'MP family' has grown further this year again. Towards the end of the year, a pilot group of Mexican executives visited Germany within the framework of the Manager Training Programme. This year for the first time, more than 1,000 executives are participating. The high esteem which the Programme enjoys at the German Federal Ministry of Economics and Technology (BMWi) is expressed in the extended commissioning of Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to carry out the MP until the end of 2015. In the coming years, it is a matter of consolidating and developing the MP further at a high standard.

Altogether, a pleasing development, as Dr Karl-Ernst Brauner, the responsible head of department at BMWi emphasised. The Partner Conference in September was a fitting occasion for his farewell and for the representatives of the partner countries to express their appreciation for his services within the Programme. We wish him all the best for his new position as Deputy Director-General of the World Trade Organization (WTO).

The focal point of the Partner Conference, besides the development of the Programme, was the role of the medium sector in Germany. This sector is characterised by small and medium-sized enterprises (SMEs). The difference between SMEs in Germany and those in our partner countries often lies in the traditional responsibility for the economic and social development of their home region, especially in the case of family businesses. We would like to show this to our participants. Our goal is to particularly support SMEs in utilising the opportunities that globalisation offers. These companies are not only the backbone of the German economy, but are also at the centre of our work. The focus of the third issue of the international Journal on MP is therefore on the medium sector. I think that this focal topic is of particular interest to many of our readers because they come from SMEs themselves.

I find it pleasing that the number of responses and the proportion of authors who do not belong to our GIZ editorial team have increased. Please continue to send your impressions and thoughts on the Programme to the editorial office.

I wish you an interesting read!


Reimat Düring



The Palacio Nacional, seat of the Mexican parliament



Mexico as a New Partner Country in the Manager Training Programme

The ministries of economic affairs in Mexico and Germany are currently negotiating on the finalisation of a government statement which is intended to form the basis of lasting cooperation within the scope of the Manager Training Programme (MP). Representatives of the German Federal Ministry of Economics and Technology (BMWi) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) have already travelled to Mexico this year to examine the conditions for the implementation of the Programme and to promote it. A pilot group of 21 Mexican executives from middle and upper management levels is coming to Southern Germany at the end of October to participate in training at the Chamber of Industry and Commerce for Munich and Upper Bavaria.

Mexico City. BMWi State Secretary Anne-Ruth Herkes was in Mexico in April 2012 to discuss economic matters and took the opportunity to propose the participation of small and medium-sized Mexican companies in the MP. Mexico is of interest to Germany and the German business sector for a number of reasons. The German Federal Ministry of Economics and Technology (BMWi) has extended its foreign-trade cooperation to emerging economies and regions outside Europe which – in contrast to the BRICS states – have received little

attention up to now. Parameters such as market size, stage of development, infrastructure, regulation of the product and labour markets, political stability and the geographical distance from Germany play an important role here.

Mexican-German trade relations

As a member of the North American Free Trade Agreement NAFTA, Mexico is strategically important to German companies for trade and investment on the markets of the American continent. Although the

Mexican economy has overcome the effects of the global financial and economic crisis, the cautious economic growth in the USA is slowing down the upswing. The IMF bases its assumption on GDP growth of not quite 4 per cent for 2011 (2010: 5.5 per cent). Despite free trade agreements with 44 countries, almost 80 per cent of Mexico's exports are currently to the USA. Thus there is a strong interest in the diversification of foreign-trade relations.

The Mexican-German trade volume was almost EUR 11 billion in 2010. German exports to Mexico amounted to about USD 7.1 billion (2009: USD 5.1 billion). The main export goods were machinery, motor vehicles and parts for motor vehicles. German imports from Mexico amounted to USD 3.7 billion (2009: USD 3.2 billion) and comprised mainly motor vehicles, electronics, iron, steel and electrical technology. Germany was the most important trade partner for Mexico within the EU; the total amount invested by German companies in Mexico is approx. USD 25 billion. In the coming years, investments in infrastructure with private participation are planned in the areas of energy, water supply/waste water, transport and telecommunications. Here equipment and know-how from Germany could be particularly beneficial. Agreements already exist between Germany and Mexico on investment protection, double taxation and on scientific and technological cooperation.

Bilateral talks in Mexico

Representatives of the BMWi and GIZ conducted preparatory talks in Mexico in April and July to ascertain whether, besides the economic prerequisites, there is a basis for successful cooperation at the political and operational level. Information events have already been held in July in Monterrey and Guadalajara, the two largest conurbations after Mexico City; these events were met with interest, positive demand and attention from the media.

During the bilateral talks in July, Fernando Portugal Pescador, deputy head of the unit for the European Union in the department for foreign trade within the Mexican Ministry of Economy, emphasised how important an increase in for-



Company visit to LOWA Sportschuhe GmbH

foreign trade with the European Union is from Mexico's perspective in view of the one-sided orientation of the Mexican private sector towards the USA. There has been a free trade agreement with the European Union for 13 years now; however, foreign trade between Mexico and Europe has so far fallen short of its possibilities. In his opinion, 'Activities like the Manager

Training Programme are therefore an ideal means of raising trade to an adequate level in order to better utilise the true bilateral potential'.

Pilot group within this year

On the Mexican side, the Ministry of Economy has entrusted the national entrepreneur institute INADEM with the implementation; on the German side, the German Federal Ministry of Economics and Technology (BMWi) has commissioned the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to carry out the Programme. In Mexico City at the end of August, a Mexican-German selection committee chose executives from the middle and upper management

levels of the machinery, textile and food industries to participate in a Pilot Programme in Germany. The training for 22 Mexican managers will take place at the academy of the Chamber of Industry and Commerce for Munich and Upper Bavaria from 27 October to 23 November. In a seminar lasting several days, the Mexican Entrepreneur Institute is preparing the participants for their stay in Germany. The executives will receive current information on Mexican-German economic relations and on the possibilities of governmental support for Mexican companies. In addition, they will prepare individual objectives for the initiation of business with German companies. ■

Stimulus for Economic Cooperation



The German Azerbaijani Intergovernmental Working Group discusses the state of bilateral business relations. The cooperation within the Manager Training Programme was highlighted as a positive example.



Samir Veliyev, Deputy Minister for Economic Development of the Republic of Azerbaijan (left); Dr. Karl-Ernst Brauner, Director-General for External Economic Policy at the German Federal Ministry of Economics and Technology (BMWi); Elsever Agayev, Deputy Minister for Health of the Republic of Azerbaijan

Veliyev, Deputy Minister for Economic Development of the Republic of Azerbaijan. Besides cooperation in the field of energy, and specifically in energy-saving measures and the fields of environmental and climate protection and healthcare, the Manager Training Programme was also an important topic of discussion. The positive outcomes of the project, which has contributed to the intensification of bilateral business relations, were explicitly acknowledged. The possibility of extending the programme with training in Azerbaijan for executives from German companies was also addressed. The 'Fit for Foreign Markets' programmes with Russia and China are role models in this. The Azerbaijani delegation made its fundamental interest clear, and encouraged continuation of the exchange on the requirements and concrete programme contents. ■

Berlin. The German-Azerbaijani Intergovernmental Working Group on Trade and Investment met for the third time in Berlin on 18 July 2013. The German delegation was led by Dr Karl-Ernst Brauner, Director-General for External Economic Policy at the German Federal Ministry of Economics and Technology (BMWi); the Azerbaijani delegation by Samir

Talks with Tunisia



Tunis. Tunisia could be the second North African country to become a partner country of the Manager Training Programme (MP). After initial negotiations revealed a principle interest on both sides in a partnership within the scope of the MP, further talks with representatives of the German Federal Ministry of Economics and Technology and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) will be taking place in Tunisia at the end of October. The aim is to examine whether the political and economic prerequisites exist for realising the MP with Tunisia. For this purpose, the delegation also seeks a dialogue with small and medium-sized enterprises (SMEs) in Tunisia. Official talks will be held with the General Directorate for the Promotion of Small and Medium Enterprises within the Tunisian Ministry of Industry, the Agency for the Promotion of Industry and Innovation (APII), the Tunisian Chamber of Commerce and Industry (CCIT) and the Center for the Promotion of Exportations (CEPEX), among others. ■



Dr. Philipp Rösler, German Federal Minister of Economics and Technology



Central Asia Economic Conference Shows the Significance of the Manager Training Programme

The 4th Central Asia Economic Conference was held at the House of German Business (Haus der deutschen Wirtschaft) in Berlin on 22 and 23 April under the motto 'Germany and Central Asia – progress through cooperation'. High-ranking representatives of the five Central Asian states (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) and Mongolia met with more than 300 German representatives from business, politics and society in the light-filled building on the Spree River.

Berlin. At the opening, Dr Philipp Rösler, Federal Minister of Economics and Technology, stressed the significance Central Asia has for the Germany economy. He expressly emphasised the (in his opinion) sound approach of the Manager Training

Programme, i.e. to train Central Asian executives from the middle and upper management levels in Germany and bring them together with German companies. He said that this promoted the establishment and expansion of specific business contacts in

a well-targeted and sustainable way. Dr Christoph Beier, Member of the Management Board of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), confirmed the positive role of the Manager Training Programme. He remarked that with the Programme GIZ had a very effective instrument for creating economic relationships from which both sides benefit.

On the second day of the conference, there was an intensive exchange of information and experiences in the various working groups on agriculture, healthcare, raw materials and energy management. Here the conference participants repeatedly mentioned the Manager Training Programme. After all, it is from these particular sectors that the Central Asian and Mongolian executives are invited to Germany for training in inter-national, sector-specific groups, during which they conclude business agreements amounting to millions with German companies. A Central Asian group was invited to Germany for the first time in 2012 within the scope of the Partnership on Raw Materials with Kazakhstan. This year, the Manager Training Programme is accompanying the Renewable Energies Export Initiative of the Federal Ministry of Economics and Technology (BMWi) with groups from Central Asia and the Russian Federation.

Issue 1-2013 of the journal 'Fit for Partnership with Germany' with the focus on the health sector was met with great interest at the conference, particularly from the participants in the working group 'Current Business Potential and Challenges for German Healthcare Management Companies'. ■



Conference participants in Berlin



Danzannorov Boldbaatar, Ministry for Economic Cooperation of Mongolia (2nd from left), and Andreas Obersteller, Deputy Director-General (3rd from left), led the steering committee

Positive Balance in Mongolia



The second meeting of the Steering Committee on the Manager Training Programme (MP) between Germany and Mongolia took place in the Mongolian capital on 23 September. The Mongolian Ministry of Economic Development (MED), the new partner ministry in Mongolia since 2013, participated for the first time.

Ulan Bator. On the part of the MED, the meeting was conducted by D. Boldbaatar, director of the department for economic cooperation, credit policy and development aid, and by Ministerialdirigent Andreas Obersteller on the part of the German Federal Ministry of Economics and Technology, who both gave a very positive summary and coordinated the next steps of cooperation. Within the scope of the MP, 168 Mongolian executives from middle and upper management levels have completed training in 13 national and international groups since 2009. Three programme participants gave an impressive presentation of their results, particularly of their companies' development since the training in Germany. A further focal point of the meeting was an extensive exchange of information on the current economic developments in both countries. The German side emphasised the particular role of the German medium business sector as the driving force of the economy. As an element of German foreign policy, the MP makes an important contribution to strengthening SME structures in Germany and the partner countries.

On the two following days, the German delegation gained information on the Mongolian economy during visits to the alumni companies. They were impressed by the Tawan Tolgoi open-pit hard coal

mine in the Gobi Desert, about 550 km south of Ulan Bator.

Here, as at Gobi Mongolian Cashmere, the largest Mongolian cashmere producer, and APU AG, the Mongolian market leader in beverage manufacturing, as well as at the new large commercial centre Dunjigarav LLC, the alumni reported on their experience with the MP and the development of their companies' performance. ■



Delegation participants visit an open-cast coal mine in Gobi Desert

GIZ Contract Extended



The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH will continue in its mandate to coordinate the Manager Training Programme (MP). The agreement reached by the German Federal Ministry of Economics and Technology (BMWi) in 2011 has been extended until the end of 2015.



The Federal Ministry of Economics and Technology (BMWi) in Berlin

GIZ (or its predecessors, the Carl-Duisberg-Gesellschaft e.V. (CDG) and Internationale Weiterbildung und Entwicklung gGmbH (InWEnt)) have coordinated the programme since 1998.

In Germany, it is implemented in a decentralised manner via the business-focused training centres. As a component of foreign trade policy, the MP prepares executives from a total of 15 countries

for business relations and cooperations with German companies in a targeted manner according to the motto 'Fit for Partnership with Germany' – with success on both sides. Over 8,000 executives from almost as many organisations with foreign trade potential have already participated in the programme. At the same time, several thousand companies from the German private sector have also got involved.

The programme comprises a combination of skills training and commercial practice. The key to success lies in the tangible benefits for participating companies – in the form of commercial agreements and long-term partnerships. The volume of the exchange of services and goods stemming from the training in Germany far exceeds the German public funds invested. The individual participants also benefit: the training often constitutes a significant building block in their careers. German executives are also able to participate in training in Russia and China. This serves business relations and helps open doors to the Russian or Chinese market. ■



15 Years of the Manager Training Programme in Russia



Moscow. The Russian Presidential Programme to train executives from Russian regions was launched in 1997. The celebrations marking the 15th anniversary were reported on at length in the 1/2013 journal. The German Federal Ministry of Economics and Technology (BMWi) has supported the Russian initiative since 1998 and thus for 15 years. The Pro-

gramme developed out of the partnership with Russia. Germany has since established similar partnerships with a further 14 countries.

Over the past 15 years, more than 5,000 Russian managers have visited Germany as part of the Manager Training Programme of the German Federal Ministry

of Economics and Technology (BMWi). The anniversary is a welcome occasion to celebrate the programme's success. Hence the BMWi and GIZ invited representatives from Russian regions, universities and programme alumni to Moscow on 18 October to reminisce together, exchange, present programme results and look to the future. ■



Oleksandr Vilkul, Deputy Prime Minister of Ukraine, and Anne Ruth Herkes, State Secretary at the BMWi, during the official signing

Cooperation with Ukraine Prolonged until 2016



Berlin. The seventh meeting of the Ukrainian-German High Level Group took place in Berlin on 23 May 2013, chaired by Anne Ruth Herkes, State Secretary of the German Federal Ministry for Economics and Technology, and Oleksandr Vilkul, Deputy Prime Minister of Ukraine. The prospects of bilateral trade and economic relations were discussed at

the meeting, in particular opportunities for cooperating in the energy and water supply sectors as well as in climate and environment protection. Both sides agreed that the potential for cooperation in numerous areas is far from exhausted.

At the meeting, State Secretary Herkes and the Ukrainian Ambassador to

Germany, Pavlo Klimkin, signed a joint statement on the prolongation of the Manager Training Programme Germany-Ukraine until 2016. Within the scope of the Programme, which was established in 2001, more than 800 executives from the middle and upper management levels of Ukrainian companies have completed training in Germany. ■



Beijing

Steering Committee Affirms Innovation



Beijing. On 14 September, the fifth meeting of the Sino-German steering committee of the Manager Training Programme (MP) met in the Chinese capital. The steering committee is chaired by Karl Wendling, Director at the German Federal Ministry of Economics and Technology (BMWi), and Tian Chuan, Deputy Director-General at the Chinese Ministry of Industry and Information Technology. Since 2009, 243 Chinese executives and two groups of Chinese administrative officers have completed training in Germany.

Specifically, the innovations within the bilateral programme work were one aspect under discussion. At the invitation of the Chinese government, the opportunity has also existed since 2012 for German executives to complete training in China within the scope of the Management Training Programme. In 2013, a group programme in Chinese was also conducted in Germany to tap into additional potential in Sino-German business relations. Both sides agreed unanimously that these developments highlight the programme's dynamism and benefits, and that particularly the programme's reciprocal nature should be reinforced. ■

Participants in the partner conference in Berlin



Besides the exchange of views on the Programme itself, the focus of the ninth International Partner Conference of the Manager Training Programme (MP) was on the role of medium-sized businesses in Germany and the partner countries. Representatives of political and implementation partners from 16 countries followed the invitation by the German Federal Ministry of Economics and Technology (BMWi) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on 5 and 6 September.

Exchange on the Medium Business Sector and on the Programme's Development



Berlin. Reimut Düring, Head of the Manager Training Programme (MP) of GIZ GmbH 'almost had the impression of a family event' when he welcomed the guests to the two-day conference in the

Döblin Saal of the Park Inn Alexanderplatz in Berlin. The representatives of the partner countries also enjoyed this atmosphere. Olena Nyzhnyk from the Ministry of Economic Development

and Trade of Ukraine said: 'It is interesting to learn at the conferences how the Programme is developing in other countries.' Le Thi Lam Vien from the Vietnam Chamber of Commerce and Industry (VCCI) finds: 'This is also a good platform for giving BMWi and GIZ feedback on the Programme.'

Farewell and Expansion

Dr Karl-Ernst Brauner, Head of External Economic Policy within BMWi, opened the conference, acknowledging the Programme, which has been running for 15 years now, and particularly the role of Russia, the first and still largest partner country. He emphasised that not only the respective company sending its executive, but also the individual participant had the opportunity to experience 'what Germany feels like'. Dr Brauner, for whom it was the last Partner Conference in this role (see interview on page 13), described it as 'ground-breaking' that German executives, too, have similar opportunities in Russia and China, following invitations from the governments there.



From left: Reimut Düring (GIZ), Hartmut Röben, Wolfgang Hombrecher (both BMWi)



From left: Gokul Nargarkoti, Dr. Sarita Nagpal, Rajpal Singh (India)



From left: Alymbek Orozbek, Mariam Sariyeva (Kyrgyzstan)



From left: Gabil Lesbekov, Zaura Masgutova, Galiya Joldbayeva (Kazakhstan)



From left: Dambii Ulziisaikhan, Bolor Tsolmon, Khuyang Ganbaatar (Mongolia)



Gloria Rocio Vazquez Perez (Mexico)

Two further countries could shortly join the current 14 partner countries. Representatives of Mexico and Tunisia have already attended the conference as guests. While negotiations with Tunisia are still in the very early stages, preparatory talks with Mexico have already been finalised (see article on page 4). Before the end of this year, a pilot group of Mexican entrepreneurs will be visiting Germany within the scope of the Manager Training Programme.

Evaluation shows the effects of the Programme

Hartmut Röben, Head of Department at BMWi, presented the evaluation of the economic results of the Programme. In 2011, Programme alumni from the years 2007 to 2009 were polled on their long-term Programme results. Röben stated that 88 per cent of the participating companies sending executives are small and medium-sized enterprises (SMEs) and that mainly such companies benefited on the German side, too. He said that, as SMEs normally do not have the same possibilities as large companies for accessing foreign markets, the goal of BMWi was to particularly support these SMEs in utilis-

ing the opportunities globalisation offers. In the period mentioned, the number of business relationships leading to contractual agreements had almost doubled owing to participation in the Programme. Turnovers amounting to several hundred million euros were generated, and this would probably not have been the case without the Programme.

Almost every second Programme participant concluded business agreements with German companies following their stay in Germany, over a quarter of participants passed on contacts made during the stay in Germany within the home company. The majority of the participants keep in contact with German companies even years after their own participation in the Programme, which speaks for the sustainability of the MP. The individual participants often experienced a positive development in their careers following the participation in the Programme; more than half of the participants held higher positions within the home company after their participation in the Programme. Galiya Joldbayeva from the Ministry of Regional Development of Kazakhstan also spoke of a very positive evaluation of the Programme by the partici-

pants. She pointed out that the Programme also contributed to improving relations between the countries.

The Medium business sector and the MP in the partner countries

The following discussion was introduced with two input papers that made it clear why the Programme focuses particularly on SMEs. Dr Armgard Wippler described the role of the medium business sector in Germany from the perspective of BMWi. Riccardo Giucci examined the role of SMEs in the Eastern European partner countries (see article in the section 'In Focus'). Achmed Elshahat Hassan, in charge of the Programme at the Egyptian implementation partner ITC, drew attention to the differences between the definition of the medium business sector in Germany and Egypt. He said a company considered in Germany as being medium-sized could already be a large company in Egypt.

The Programme helped Khuyang Ganbaatar, Vice President of the Mongolian Employers' Federation MONEF, to understand how Germany has managed



Alexej Bunkin (Russia)



From left: Achmed Elshabat Hassan, Aly Basha (Egypt)



Professor Vladimir Apanasovich (Belarus)



From left: Anna Delyusto, Olena Nyzhnyk (Ukraine)



From left: Olga Badanova, Tatiana Mosneaga, Victoria Cotici (Moldova)



From left: Le Viet Anh, Le Thi Lam Vien, (Vietnam)

► to cope so well with the crises in recent years. So far, participants from Mongolia have been mainly managers from large companies in mining and light industry, but the significance of SMEs was increasing, he said. Gokul Nagarkoti from the Ministry of Commerce and Industry of the Government of India also said that the proportion of SMEs was growing enormously in his country, particularly in the pharmaceutical industry.

Olga Badanova from the Ministry of Economy of the Republic of Moldova said that the MP opened up opportunities for the participants and, at the same time, helped to increase the country's competitiveness. She stressed the role of industry, particularly that of the SMEs. In the opinion of Le Viet Anh from the Ministry of Planning and Investment of Viet Nam, participation in the Programme means not only strengthening cooperation with Germany, but also strengthening the companies within Viet Nam. Representatives of several countries made their interest in the sector and topic-based group programmes clear.

Sector and topic groups

An exchange of experiences concerning the international sector and topic groups took place at the German Federal Ministry of Economics and Technology on the second day of the conference.

In the MP, the focus is currently on:

- Mining and raw materials sector
- Health sector
- Environmental technologies / water and waste sector
- Energy efficiency in industrial companies
- Energy efficiency in the construction and refurbishment of buildings
- Renewable energies and
- Agriculture

It was determined in the working group of the partners at the political level that already every tenth group is a sector and topic-based one. The representatives of the individual countries reported on their consistently positive experiences regarding the implementation and the added value of these group formats. The partners all agreed that sector groups should be continued and perhaps expanded. Tourism, IT, construction, logistics and the process-

ing of agricultural products were named as possible further future sectors of priority.

The contents of the implementation partners' working group were the presentation of the various programme formats, a discussion on the definition of selected target groups and the exchange of experience to date in gaining participants in the respective countries. The discussion showed that the partners need to receive information on the planning of sector programmes well ahead from the German side as finding participants for sector programmes requires more effort than programmes with heterogeneous groups. The implementation of sector-specific programmes was also a topic in numerous bilateral discussions between BMWi and the partners on the fringe of the Partner Conference.

The evening reception in honour of Dr Brauner on the first day of the conference really was a highlight in the true sense of the word; on the 37th floor of the Park Inn, representatives of the partner countries acknowledged his contribution to the further development of the Programme. The guests then took the opportunity to expand their international networks, with a panoramic view of the city in the background. ■

'I am a Fan of the Programme'



In an interview on the fringe of the Partner Conference, Dr Karl-Ernst Brauner commented on the Manager Training Programme (MP). As Director General for External Economic Policy of the German Federal Ministry of Economics and Technology (BMWi) until the end of August 2013, Dr Brauner was also responsible for the Manager Training Programme. He was appointed Deputy Director-General of the World Trade Organization WTO in September.

The MP has developed from bilateral cooperation with Russia into an international programme in the past 15 years. Did you foresee this development?

I gladly admit that, even with the most optimistic view, nobody (including me) could expect that the Programme would be so successful and that there would still be such strong demand for it in 2013. In the course of time, the original altruistic orientation of the Programme has increasingly given way to a partnership at eye level with stronger emphasis on economic cooperation. The success is already evident from the fact that the Programme will shortly already be carried out with 16 partner countries on four continents.

Is there an event, an encounter that you look back on with particular fondness or satisfaction?

I have gained a great deal myself during this time. I have met interesting people and experienced cultural diversity through the Programme. I have been to places that I would otherwise never have visited, be it in Krasnojarsk Russia – far beyond the Ural Mountains – or Kazakhstan. I have particularly positive memories of Bowodoje in Kazakhstan: There is a stone there which fulfils a wish after you have circled around it seven times. I succeeded – that same evening, Germany beat Argentina 4:0 in the football World Cup.

What makes the Manager Training Programme so unique?

If the Programme didn't already exist, it would have to be invented in this flexible form. The standards we set when selecting the participants are high, as are those we require from the training academies. In both cases, they are essential prerequisites for the success of the Programme. The MP is a free-market programme: within a pre-defined framework, the players are independent and responsible for their own actions. The managers can decide for themselves how they want to utilise the Programme. We also regard sustainability as a decisive element of the quality of the Programme. Here follow-up seminars and consistent alumni work are the keys. Communication and networking among the participants beyond their stay in Germany are absolutely

Dr. Karl-Ernst Brauner, Director-General for External Economic Policy at the BMWi



GIZ: Dr Brauner, since when have you been in contact with the Manager Training Programme and in which function?

Dr Karl-Ernst Brauner: I have been involved in the Programme since 2001

and have regularly participated in the Partner Conferences since 2006. At BMWi, I am responsible for external economic policy. In addition, I was co-chairman of the steering committees with Russia and Kazakhstan.

essential elements of the Programme and are rightly very much appreciated.

Who, in your opinion, benefits most from the Manager Training Programme?

I think both the individual participant and their company, as well as the respective national economy. As already mentioned, it is up to the individual manager to make the most of their participation and to decide how to utilise the know-how gained in Germany and the opportunities offered for direct contact to companies for their own benefit and that of their company.

I was very pleased by the feedback a participant gave me at one of my last steering committee meetings. He said that he had benefited through learning something about interaction with employees in Germany, which is characterised by appreciation. He saw it as not only being a cultural characteristic in Germany, but also of economic significance. Employees are not only an expense factor, but constitute the actual value of a company. Appreciated employees are more productive, imaginative and committed – for the good of the respective company. This insight can also be part of the experience gained from the Programme.

How much importance is placed on the MP within the German Federal Ministry of Economics and Technology?

The Programme enjoys strong political recognition and has proved itself as a sound component of bilateral external economic relations.

What are your personal plans for the future?

This is my last Partner Conference as a representative of BMWi as I will shortly be taking up my post at the WTO in Geneva. However, it does not mean saying goodbye to the partner countries, but just changing to another role. In this new function, I will surely still be in contact with the partner countries in one way or another. ■

Trademark Protection for Regional Products



In June 2013, German-speaking upper and middle management executives from Belarus, Moldova, Mongolia, Russia and Ukraine discovered a Brandenburg speciality: the 'Spreewald gherkin'. In doing so, they learned first-hand about practical trademark protection for regional products.

Berlin, Lübbenau. 'Delicious and refreshing - just the thing after a hot day.' This was the consensus at a tasting of Spree-waldRabe's products, a gherkin producer in Lübbenau steeped in tradition. About one hour southeast of Berlin there is a unique region where the riverbed of the Spree branches out into a myriad of channels with an overall length of almost 1,000 kilometres. In Germany, the Spree-wald is famous for being a tourist destination and for producing natural, organic food. However, most of the programme's participants discovered Spree-wald gherkins for the first time. So, at the end of their trip, they stocked up well on these delicacies at the outlet store. Natalia Ivanets, Manager of the Contracts Department at the Ukrainian Tokmak Forging and Pressing

Plant is convinced: 'There's no mistaking the taste of gherkins from the Spree-wald for gherkins by other companies.'

Protecting and Developing Tradition

As far back as over 140 years ago, farmers from the Spree-wald brought their harvest directly from their fields to the Lübbenau cucumber market. Once cucumbers could be made storable and durable – in the past using lactic acid fermentation, now using heat treatment – several companies emerged, each with their own recipe. The typical taste of Spree-wald gherkins comes from the spices that are added, as well as the special way they are processed. The formula is, to date, a well-guarded secret among about 20 gherkin producers still

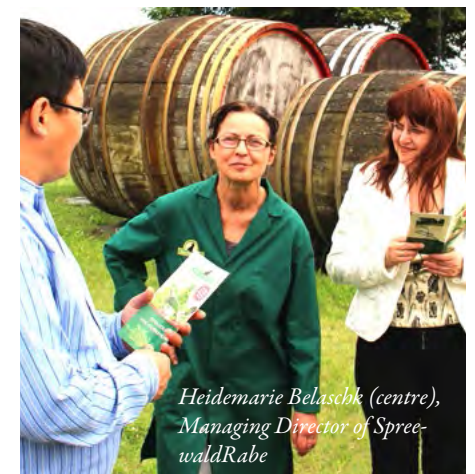


producing in the Spree-wald. Horseradish is another local speciality. The region's popularity means that higher prices can be charged for food from the Spree-wald than for products from other regions. After several legal disputes over the 'Spree-wald' designation being used on food products, the term 'Spree-wald gherkin' and the umbrella trademark 'Spree-wald' have been safeguarded within the EU as protected geographical indications (PGI) since 1999.

Heidemarie Belaschk, CEO of Spree-waldRabe, a company which has been family-run for five generations, explains how the trademark protection came about: 'Companies in the region set up the Spree-wald association in 1991 after producers from other regions had been selling 'Spree-wald-style' gherkins. Only food produced using predominantly regional ingredients get the 'Spree-wald' umbrella brand's seal of approval'. The name guarantees fresh, natural and regional produce to the consumer. What makes Spree-waldRabe unique is the use of fresh herbs that they grow themselves. The company has about 60 permanent employees and up to 100 employees during the season. According to the CEO, 'The Spree-wald gherkin also has to deal with trends. There are always new developments. However, what's most important is that there are no copycats of lower quality'. This goal was achieved thanks to trademark protection from the EU and constant checks by independent institutions. As well as providing legal protection and promoting the Spree-wald region, the Spree-wald Association also organises joint marketing activities for food producers in the region. These include appearances at trade fairs such as the Green Week in Berlin or the Anuga in Cologne, but also at local events such as the Lübbenau cucumber market – just like 140 years ago.

Language Ability Made it Easier to Establish Business Contacts

Urtanasan Enkhbold, who completed a degree in economics at Potsdam University four years ago, describes her concept of trademark protection: 'For me, a trademark or a brand signifies the value of



a company, which is not only defined in terms of money. Rather, it shows how successful the company is, or how successful its products are. This is why branding is so important to me and to our company'. The meaning of trademark protection in practice became particularly clear on site at Spree-waldRabe in Lübbenau. After the trip, the manager from Ulan Bator said: 'A brand should be protected if the products differ from others thanks to their unique features, and if customers only want these special products which made the company famous'.

From 26 May to 22 June, executives from the middle and upper management levels of different industries attended training at the EUROPANORAT in Berlin. Knowledge of the German language made it much easier to establish business contacts. In the context of the MP, such groups are regularly brought together with German-speaking participants from the partner countries. Enkhbold now works as CEO of the Mongolian energy company 'Tsagaan Shuteen'. Speaking of her training in Germany, she said: 'Although our group was made up of five nations, we got on wonderfully. We were all very motivated and willing to learn. Participating in the programme, gaining experience and educating yourself further is well worth it. I'm going home with new ideas from Germany'. The Ukrainian Ivanets '...got to know lots of interesting and clever people and also established valuable business contacts'. She advises everyone who has the opportunity to take part in the programme to do so. She found the German companies to be hospitable and willing to answer all sorts of questions. ■



Impressed by the Planning and Organisation



Garam Munkhchuluun (right) during a company visit

Garam Munkhchuluun is CEO of the Mongolian 'Derennaran' LLC. This year he took advantage of the opportunity to participate in the Manager Training Programme with an international German-speaking group. In Germany he was particularly interested in all the organisation and planning that goes into the work done in medium-sized enterprises.

GIZ: What is your company involved in? Could you give us a brief outline of your profession?

Garam Munkhchuluun: 'Derennaran' LLC is a construction company. In addition to the usual activities of a construction firm, we focus on special fields like the planning and construction of sport facilities. Marketing construction materials and paints is another area where we are active. Our goal is to become the leading firm in sport facility construction in Mongolia.

What made you decide to participate in training in Germany?

The organisation and working culture of German medium-sized companies is a central factor in Germany's economic success. Getting to know this tradition, developed over many centuries, and possible ways of implementing what I have learned was my central motivation for attending the training course.

How did you learn to speak German so well?

I learned the basics of the German language on earlier visits to Germany.



Later I hired German specialists to work in my company. German was our working language during this collaboration, so I learned a bit more.

What impressed you most about your time in Germany?

Our visit to a company in Leipzig. A company with just 4 employees in the office, including the owner, planned and organised the renovation of the stadium in Leipzig. That was a very impressive feat!

What expert topics were the most interesting for you?

I was most interested in the organisation and working processes of German

medium-sized companies, along with the construction of sports facilities, and of football pitches in particular, and the construction materials and technology employed there.

Were you interested in the issue of trademark protection? What did you take away from your day in the Spreewald (see article)?

I work with Mongolian and foreign partners who place very high demands on the quality of the final product. To satisfy these demands, we only use high-quality materials and tools. Trademark protection plays a role here. In short: cheap copies just won't do. In Spreewald we found out how the farmers got together to protect and market the Spreewalder pickles as a classified trademark. This experience translates well to Mongolian products.

We heard that you are also very active socially. Can you tell us a bit about your activities?

My parents are from Dundgovi Aimak and I was there every summer as a child. The name of the company, Deren Naran, is the name of a town in our sum. I try to give people who move to the city from this area a chance to get on their feet in the big city. In our company they learn a trade and earn a decent amount. Additionally our company supports a youth football team that plays pretty well in my opinion. The team regularly takes part in Mongolian and international tournaments. Last year our company sponsored a football tournament, the 'Deren Cup'. Why do I do it? It is really important to me that these children do something meaningful in their free time, learn how to be successful along the way, and how to achieve their goals using their own power.

Would you encourage others to participate? What would you like to tell other participants?

Absolutely, I would recommend participating in the programme. It fully met my high expectations. New participants should try to learn as much as they can from the experience of others. And they should never stop asking questions. ■

Business Talks in Bonn



To meet new and old business partners, learn about the changes in Russian legislation and visa formalities or become inspired by the success of German Programme participants on the Russian market – these were some of the reasons why 150 guests met at the Russian Consulate General in Bonn on 21 June 2013. Despite the large number of participants, the atmosphere was relaxed and informal throughout, as usual. The Consulate General of the Russian Federation, the German Federal Ministry of Economics and Technology (BMWi) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH hosted the event.



From left: Stefan Schmidt, Euler Hermes Kreditversicherung AG; General Consul Evgenij Schmagin; Hartmut Roben, BMWi



Bonn. They came to Bonn for various reasons: some hoping to find new sources of business; some confident that they would receive useful first-hand information for their work; others again, to meet long-standing acquaintances and colleagues, and exchange news and experiences on a mutual topic – German-Russian cooperation.

The participants listened attentively to Prof. Rainer Wedde from the law firm Beiten Burkhard Rechtsanwälte as he gave a talk on the 'comprehensive reform of the Russian Civil Code and Russia's accession to the WTO – consequences for German companies in Russia'. He went into detail on some particularly relevant amendments to Russian legislation which have come into force since Russia's accession to the World Trade Organization WTO in August 2012. These changes: the abolition of certain corporate forms and the transformation of others, contract law, guarantees, collateral for loans, liability, etc., have a direct effect

on the work of German companies, both in Russia and in their function as cooperation partners. GIZ expert Dr Wladislaw Below provided information on the current status of negotiations on the simplification of visa

rules between the EU and Russia. Stefan Schmidt from Euler Hermes Kreditversicherung AG gave an overview of credit guarantees for small and medium-sized companies. In the panel discussion afterwards, the German entrepreneurs Andreas Hausteine and Marco Vollrath described the progress they were able to make on the Russian market within the scope of the programme 'Fit for Business with Russia'.

In the afternoon, the guests met at a contact exchange. A Russian group that had completed training at the German Management Academy of Lower Saxony (DMAN) came to Bonn specifically for this exchange. Entrepreneurs from both

countries sat opposite each other at tables for two and discussed possible cooperation. Some of them were interested in logistics, others, e.g. Juri Martjanow from Kemerovo, planned importing German

equipment and technologies. Martjanow wants to follow up on seven of the twelve contacts made during the exchange, which he finds particularly promising. It was not without

reason that the Russian business people described the cooperation exchange as a highlight of their training. The entrepreneurs continued to move from table to table long past the scheduled time, and it took some persuasion to move them on to the neighbouring building. Then the reception organised by the Consulate General and BMWi came into its own: planning future business while enjoying the delicacies of Russian cuisine with musical accompaniment was a true delight. ■



Networking in full swing





The eleventh Chinese group for the Manager Training Programme



Company visit to Pape & Co. GmbH in Munich



At the Eisbach in Munich

Chinese Executives in Bavaria



Chinese participants in the Manager Training Programme (MP) learnt a lot about the successes and problems of German family enterprises, the latest branding methods and intercultural differences. At the same time, they established valuable contacts to German companies.

Munich. The beer gardens were packed as usual in July; the Alpine panorama was inviting – but the 17 Chinese executives from the middle and upper management levels hadn't come on holiday. The participants of the MP organised by the Chamber of Industry and Commerce for Munich and Upper Bavaria had a demanding programme with the focus on business relationships with German companies and Sino-German economic topics.

'The Programme is perfect for me. As the founder and managing director I need to know how to organise myself globally and how to put my company on a consistent course', said Weili Li, Managing Director of Mecchem Co. Ltd. in Wuxi, eastern China: 'I learnt a great deal through the visits to several companies.' She was particularly interested in visiting Bavarian companies that are also active in China, among them Maccon GmbH in Munich. 'I was impressed by this small company's presentation and its professional way of working', Weili says.

Maccon develops and manufactures high-quality electrical motors and controls for the fields of traffic technology, medicine, science and aerospace. The medium-sized company informed the guests from China extensively about its quality management. Ted Hopper, Managing Director of MACCON, took the opportunity to establish contacts: 'Up to now, the focus of our business activity has been on the Federal Republic of Germany and other European countries. However, we want to gain access to new

markets; China as a rapidly developing market is of particularly interest for our high-tech products. We were therefore very glad to receive Chinese managers, to present our company and products to them and exchange ideas. We are now in



A presentation during the seminar

contact with some of the participants regarding possible cooperation.'

Hong Jiang, Managing Director of United Faith Auto Equipment Group in Guangzhou in South China, sees German and Chinese family enterprises faced with comparable challenges. Within the scope of the group programme, he visited Spinner GmbH in Munich, a family-owned company established in 1946. Today the company offers solutions in the field of high-frequency technology to customers all over the world. 'I am glad to have met Ms Spinner-König', said Hong Jiang. 'She

spoke openly about the transition of the company from one generation to the next and about her management philosophy, providing me with new insights.'

Besides the company visits, the Programme included training modules, and it wasn't only the summer weather that

caused temperatures to rise in the group discussions. In an interactive course, Trainer Angela Lehmann conveyed relevant branding methods to the participants for their international business. Weijiang Zhang, Vice Director of the company Yangling Tiangong Industry Co. Ltd. in the province of Shaanxi, commented: 'Now I understand German sales methods much better and see the difference between them and Chinese sales methods. The training will help me very much to establish our brand in China and Germany.'

The intercultural training was very important to the participants as they were able to put the knowledge gained into practice during company visits. The Chinese

Programme participants made interesting contacts during almost 60 individual appointments with German companies. Weili Li, for example, visited the company Franz Schubert Consulting, whose managing director was so impressed by her professionalism that he already brought her into contact with several of his customers during her stay in Germany. Weili then visited five further German drug and pharmaceutical companies.

We are now in contact with some of the participants regarding possible cooperation.'

Ted Hopper, Managing Director of MACCON

By the end of their stay, the participants had gathered numerous ideas for making improvements in their companies and established valuable contacts in Germany. They even had time for an outing to Neuschwanstein and the Tegernsee lake – including a weissbier with the Alps panorama in the background. As the saying goes, 'Business before pleasure!' ■



Sandra Peters works for the Chamber of Industry and Commerce for Munich and Upper Bavaria. As a project leader for international training, she looks after groups from the MP partner countries, among other things.

We are interested in your opinion!

Give us your feedback about this Journal at www.giz.de/gc21/mp/feedback.



Executives from Belarus and Moldova Filled with Enthusiasm

Whether from the metal structure or chemical industry, several entrepreneurs from Belarus and Moldova returned home with preliminary agreements in their cases. They had participated in the Manager Training Programme (MP) at the German Management Academy of Lower Saxony (DMAN) from 20 May to 16 June. In their home companies, they now wish to implement their new knowledge of employee motivation.

Celle. 'We build pyramids outside the desert too' – Vitali Bozhkov from Minsk-based construction company Archi-Line was rapidly convinced by the slogan of Stahlbau Brehna GmbH based in Saxony-Anhalt: the unusual pyramids made from steel and glass are to now also become eye-catching structures in Belarus and Russia. Viktoria Smorchek from chemical manufacturer Grodno-Azot in the far west of Belarus is planning a major project with ThyssenKrupp involving the sale of equipment. With the help of the German Management Academy of Lower Saxony (DMAN), Smorchek was able to clarify important details to secure financing for her project with Euler Hermes Deutschland AG. Andrei Zharinov from Minsk is a member of the management board at a medium-sized metal manufacturer. He wished to find out more about equipment for metal production during his time in Germany. At B+S GmbH, he learned about different innovative technologies for the optimisation of production processes and now wishes to invest several million euros in B+S products.

'German participants willingly share their professional and personal experience with others. They are interested in long-term relationships with customers and partners, and their attitudes inspire us.'

Nadya Damashkan, Damashkan Authentic Furniture Manufactory, Moldova

The group comprising 21 executives from small to extremely large companies already achieved their first concrete successes during their time in Germany. They arrived highly motivated and well prepared for the Manager Training Programme in the early summer. Most of the entrepreneurs were interested in purchasing German technology and setting up representations for



Company visit to Klasmann-Deilmann GmbH

German companies in Belarus; others first wished to analyse the German market. Yet they all benefited from the professional mediation of expertise and also acquired personnel management skills for their own company, for example.

Overall, the group was impressed by how many German executives from medium-sized companies

got involved in the business operations themselves on the one hand and with the high degree of responsibility delegated to employees on the other. 'German manag-

ing directors are inspired by their visions – they do all in their power to achieve their aims and motivate their employees to a large extent in this way,' summarises Ihar Bakhanovich from the telecommunications industry. For their part, the guests from Belarus and Moldova were highly motivated and so enthusiastic that they even spontaneously decided to help out during the catastrophic flooding in Saxony-Anhalt. ■



Inga Markwart is a programme manager at DMAN in Celle, where she is responsible for planning and coordinating qualification programmes for participants from Central and Eastern Europe, the Baltic States, the CIS States and Asia. She gained marketing and event experience in the industrial sector.

Recycling as the First Step Towards Sustainable Management

This summer, Egyptian executives came to Germany as part of the Manager Training Programme (MP) for what was the third time. From 9 June to 6 July, 20 executives received training at the Carl Duisberg Centres in Cologne and Berlin.



Adel Zaki (centre) in conversation with Egyptian programme participants

were, and the care with which each individual employee would ensure that all waste was collected and recycled.

This motivated Adel Zaki to pursue one of his ideas further. His company, Boraq for Electronic Industries, manufactures electronic components in Cairo. He was already extremely interested in recycling prior to his visit to Germany – to recycle waste at his company, but also to establish a new line of business. While recycling is still rare in Egypt, Zaki believes that it will become increasingly important in the future in light of the growing scarcity of raw materials. During a meeting with an expert from Duales System Deutschland GmbH, he discussed the export of recycled waste from Germany with the aim of setting a Duales System plant up in Egypt. Besides household collection, commercial recycling management and efficient, environmentally-friendly recycling of packaging and electrical devices also count among Duales Systems' fields of expertise. Zaki also met with a representative from Remondis for a one-on-one discussion to sound out the opportunities for a cooperation in waste recycling and incineration. Negotiations for a possible cooperation have been under way since their initial contact. The contacts established in Germany also led to cooperation negotiations for other participants, most of which are to now be continued in Egypt. ■

Cologne. The participants from the textiles, leather, mechanical engineering and plastics industries had high expectations of the programme. They saw themselves as ambassadors for their country during difficult times. They sought to make clear to the German companies they visited that investments in and cooperations with Egypt are particularly worthwhile at the current point in time. The consensus was that 'Egypt is relatively close to Germany, and favourable customs import regulations are currently in place'. While the Egyptians sympathised with their German hosts about the lack of sunny summer weather in June, they were far more interested in how and why German SMEs are able to assert themselves so successfully on the global market.

During company visits, the focus was often on the subject of process optimisation. The visit to BPW Bergische Achsen KG in Wiehl some 50 km to the east of Cologne left a particularly good impression. With more than 12 million axles sold and around 100 patented inventions, BPW is the market leader in Europe. The Egyptian guests were impressed how independently the skilled workers operated the highly complex machinery without supervision by a foreman. For them, this was an example of efficient processing and employee motivation. They immediately considered and discussed whether this was also feasible within Egyptian companies. The participants also found its remarkable how clean and orderly the production halls



Mareike Dröge is a project leader, trainer and coach at Carl Duisberg Training Center in Cologne and is responsible for the preparation and implementation of the Manager Training Programme. She has 25 years of experience in working and negotiating with participants from about 50 different countries.



‘30 Companies in 30 Days’

The extractive industry is one of the most significant growth sectors in the world. Mining companies in Russia, Kazakhstan, Kyrgyzstan and Uzbekistan are benefiting from this. What’s more, they rely on material handling technology from German manufacturers.

Cologne. Igor Haritonov is satisfied. In June 2013, the Russian businessman left his desk in Siberia and spent a month in Germany seeking out partners for cooperation and ideas for his company. Just before the end of his trip, he takes a first look at what he achieved: ‘I got to know more than 30 German companies in less than 30 days’. He intends to systematically evaluate and follow up on the contacts he made after he returns home. Haritonov is responsible for planning and systematisation in the big – even by Russian standards – coal extraction company the ‘Siberian Coal

Energy Company’. He is convinced that: ‘These companies are potential partners for us’.

However, possible partnerships with German companies were not the only outcomes of Hartinov’s training 6,000 kilometres away in Cologne. He also got to know German corporate culture better and can envisage how he could incorporate elements of it

into Russian companies. He found the training courses on intercultural management and ‘How to do business with Germany’ particularly interesting. They give him a solid foundation for his negotiations with German companies. This positive feedback was also shared by the rest of the participants in the training group who were guests at the Carl Duisberg Centres in Cologne. The 24 executives from middle and upper management represented mining companies from Kazakhstan, Kyrgyzstan, Russia and Uzbekistan.

Growing Demand for German Mining Technology

German companies have an excellent reputation as business partners in Eastern Europe and Central Asia: they are synonymous with innovative technologies, high quality and reliability in particular. Suchriddin Nigmanchanov, CEO of the

Uzbek company ‘Agro Provision’ and a participant in training in Germany, saw this for himself. One of the companies he visited was the machine and plant engineer BHS-Sonthofen and he was quickly convinced by the high quality of the manufacturer’s products and services. Nego-

tiations on the purchase of crushers are already underway. These machines could produce building sand, which is urgently needed in Uzbekistan. Nigmanchanov’s conclusion: ‘After taking part in the programme, cooperation seems much easier, even with other German companies’.

Great interest in commercial agreements with German companies is also based on the dynamic way in which the extractive industry is currently developing. Thanks to the increasing global population, and increasing demand for better quality of life at the same time, demand for raw materials is continuing to grow. Companies that produce and process raw materials in the producer countries can benefit from this, as can German man-

ufacturers of mining machines and safety technology. This is because it is essential for producer countries to optimise production processes and to adapt to new market developments. For instance, coal prices are currently falling and competition on the raw materials market is growing. ‘So the use of new technologies and innovative machines plays a very significant role,’ confirms Eduard Nikitin, Deputy CEO of the large-scale enterprise ‘Zarechnaya’ from Kemerovo, Russia’s most important coal-producing region.

All participants were convinced that prospects look good for further partnerships. However, the month-long training course was just the beginning. ‘The programme is far from over,’ recognises Jörg Kalmbach from the Carl Duisberg Centres, who accompanied the entrepreneurs from Eastern Europe and Central Asia for a month: ‘The real work is only just beginning!’ Haritonov and his colleagues see things in exactly the same way and are excited to see which of their many contacts will lead to tangible successes. ■



Company visit to DAT Bergbautechnik GmbH in Wesel



DAT Managing Director Jörg Menning (right) shows his guests the technology



Markus Szirmay in Siberia

Well Prepared for Siberia



German executives travelled to Siberia for what was already the third time to learn more about an exciting, growing market and to establish contact with Russian companies. However, before flying east, the German business people first had to return to school. GIZ taught them all about the country and its people. For 'Good preparation is essential'. Sinan Sat from the leading German newspaper, the Westdeutsche Allgemeine Zeitung (WAZ), accompanied the German delegation. A travel report.

Markus Szirmay straightens his tie and smooths down his jacket. He didn't get much sleep last night and is a little tired. There's no time to rest now though. Szirmay has a date. Indeed, if everything goes to plan, it will be the first of many. He takes a deep breath, focuses and enters the large conference room of a hotel in Novosibirsk. Fifty men and women sit in rows with catalogues spread out in front of them, waiting for the event to begin. Buyers and sellers, producers and service providers, meat manufacturers and gui-

tar retailers from Germany and Russia are meeting here for a speed dating session. They have 15 minutes to convince their conversation partner of their product before moving on to the next table. Szirmay has travelled thousands of miles to participate in this event. He knows that first impressions are crucial. The German entrepreneur is well-prepared: he participated in a three-day seminar on Russia beforehand and has familiarised himself with the Russian corporate culture. He greets potential business partners in Russian.

The qualified engineer wishes to sell industrial fans in Siberia. He knows the Siberian market. In 2010, he was one of the first German entrepreneurs to participate in the Manager Training Programme aiming to improve trade relations between Germany and Siberia. Sixty-five German entrepreneurs have since visited Siberia alone – 300 in total across the entire country. Around 70 per cent of the companies to participate in the programme have enjoyed long-term business relations with Russian partners ever since.

Growth opportunities in Siberia

'Siberia in particular harbours huge growth potential for cooperation between German and Russian companies. In the past, the focus of German industry was not really on the east of Russia that is rich in raw materials, but this is gradually changing,' confirms Olga Kolesova, who organises the training programme in Siberia on behalf of the Russian government.

Kolesova seems pleased. The last of ten dating rounds is just coming to an end.



Press conference in Kemerovo

Hundreds of business cards have been exchanged and around 200 discussions conducted. In a few months' time, the Russian will inquire how many business deals were ultimately concluded. Last year, around 20 contracts were signed after the contact forum.

Markus Szirmay is also pleased. 'Not all of the companies of interest to me were present, but I still had a few good discussions. I have a good feeling with one of them. I think they will contact me soon,' the 50-year-old predicts. He wants to suggest recruiting new staff, who are familiar with the country and language, for sales in Russia to his company's management team upon his return. After all, he learned in the preparation seminar how highly Russian business people value having a direct contact with whom they can build a relationship of trust. 'That's where we have fallen down in the past,' Szirmay says.

Benefit from the experience of others

He loosens his tie and scans the programme. The German delegation will visit the window frame manufacturer Veka Rus next. The company has its headquarters in Sendenhorst in North Rhine-Westphalia. Since 2004, Veka has also produced in Novosibirsk though. 'For logistical regions, the location was an ingenious decision reached by company management,' explains site manager Andrei Yermakov. 'As the market leader, we deliver to the entire east of Russia from here.' The lawns outside the gates to the modern company building are neatly mown and the German and Russian flags flutter in the mild Siberian late summer breeze. On the other side of the road is a vast industrial com-

plex with smashed windows. The building looks like nothing has been manufactured there since long before the fall of the Soviet Union. The building is actually used by a Russian company that manufactures fodder for pigs. Yermakov is aware of the stark contrast and the thoughts and doubts they raise in the German entrepreneurs. 'Cleanliness, order, safety – all in line with the German role model,' he states without even being asked, and invites the German entrepreneurs on a two-hour tour of Veka Rus. When the two hours are over, they are all convinced. The German company's investments have been worthwhile. The plant featuring machines 'Made in Germany' operates efficiently. 'You shouldn't be put off by the surrounding area. Good, efficient production is clearly also possible in Siberia,' one German entrepreneur concedes.

Contact with decision-makers

The delegation boards the bus again. They are expected at their next meeting. The

governor of the Novosibirsk region, Vasily Yurchenko, has invited them. 'These are advantages that only this programme can bring,' tells Alex Renner, who is participating in the training on behalf of a German consulting firm. 'You meet decision-makers from the fields of politics and business that it would not be as easy to come into contact with otherwise, and good contacts are the be-all and end-all in business.'

On the way to the government building, Markus Szirmay receives an email. His conversation partner from earlier in the day with whom he said he had a 'good feeling' wishes to know more about the industrial fans. The German is pleased.

After the meeting with the governor, Markus Szirmay returns to his hotel. Another long day lies ahead of him and the other entrepreneurs tomorrow. Some will travel to Altai, a region characterised by mechanical engineering and agriculture; others to Tomsk, which is rich in mineral oil and natural gas. Szirmay will visit the mining region of Kemerovo, where the engineer believes he will be able to find people interested in his industrial fans. ■



Sinan Sat is a trainee at Westdeutsche Allgemeine Zeitung (WAZ), which has its headquarters in Essen. The trip to Siberia was his first Russian experience.

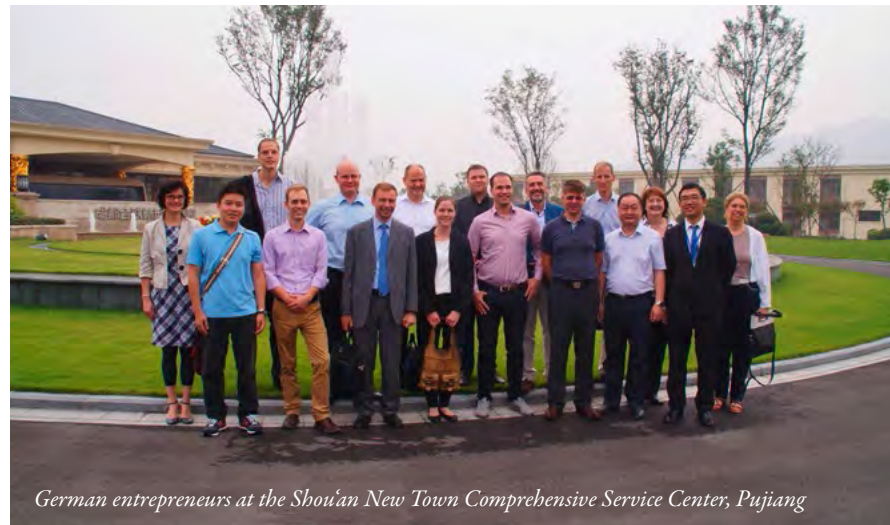


Company visit to Chernigovets mining company in Kemerovo

'Fit for Business with China' Successfully Continued



German entrepreneurs were guests in Chengdu and Taicang for two weeks. There they familiarised themselves with the current market situation and established business contacts with Chinese companies.



German entrepreneurs at the Shou'an New Town Comprehensive Service Center, Pujiang

Chengdu/Taicang. After the success of the previous year, the second group of executives from the middle and upper levels of German companies travelled to China in September 2013 to take part in training – at the invitation of the Chinese government. The programme 'Fit for Business with China' was implemented in close cooperation between the Chinese partner China Center for Promotion of SME Development (ProSME) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Diverse possibilities

Whether in Chengdu in Western China (Sichuan Province) or Taicang on the east coast, market possibilities in the second largest economy in the world are very diverse, and the corporate culture and business practices are entirely different from those in Germany. Recently 12 executives from German companies in the sectors of trade and services, mechanical engineering, timber and the chemical industry gained a direct impression and established initial contacts with potential Chinese partners.

These two intensive weeks required thorough preparation. The Programme participants therefore received two days of training at GIZ in Bonn at the beginning of September. There they not only familiarised themselves with the current situation regarding business with China, but also took a good look at the particularities and differences in communication and contract negotiations. This seminar contributed largely to the success of the Programme in China.

The Chinese organisers from ProSME and the authorities in the economic development zones in Pujiang near Chengdu and

in Taicang had prepared an intensive and ambitious programme. Expert seminars were combined with visits to Chinese and German companies.

A look behind the scenes

During the expert seminars, e.g. on intercultural business communication, conducted by Professor Pan Yaling, or on the economic development zones in Pujiang and Taicang, the German participants received first-hand information and discussed relevant topics with Chinese experts. Among the company visits, the visit to the Chinese automotive component supplier CSDK Brand New Future made a lasting impression. The 34-year-old owner and managing director provided interesting insights into the business practice of a Chinese company. Local German companies, e.g. BOSCH Packaging Technology, Herrmann Ultraschall or E.G.O., provided information on their experiences and approaches in building up business activities in China.

Visits to the German consulates general in Chengdu and Shanghai as well as the Chamber of Commerce Abroad in Shanghai rounded off the programme. There the German guests discussed current economic developments and market possibilities and risks with experienced experts on China. Plans for long-term business activities were also a result of the Programme. All of the German participants assessed the prospects for future activities in China as being good. One representative of a consulting company was particularly successful; he was already able to sign two cooperation agreements during the Programme. ■



Company visit to Yupinxuan Ceramics Company, Pujiang

Ukraine: New Partner Networks in the Regions



A new network is being launched that aims to bring together government representatives, business associations and graduates of the Manager Training Programme (MP) in the Ukraine within the framework of the 'Fit for Partnership with Germany' programme. A workshop was held at Karazin Kharkiv National University at the start of June 2013 to this end. The event set a precedent: the idea of a partner network has already inspired other Ukrainian regions to follow suit.

Seminar in Kharkiv



Kharkiv. The selection interviews held in Kharkiv in June went unusually well. Three times more participants from the Kharkiv region will travel to Germany in autumn 2013 for the 'Fit for Partnership with Germany' programme than in the past four years combined. This success cannot only be attributed to a workshop held immediately beforehand that aimed to establish a new partner network. The 'Cooperation for Development' conference that took place in Kiev in March 2013 also helped boost interest in the programme. The idea for the new partner networks in the regions was developed at

the event. They should bring the Ministry of Economic Development and Trade of Ukraine, the regional authorities, business

associations and ultimately the graduates of the GIZ programme together within a network and bundle their expertise. The partner networks should not only stimulate the German-Ukrainian economic cooperation and the regional economy but also draw attention to the MP in the Ukrainian business world and raise awareness of it in the regions.

Kharkiv: strong signals for an improved network

The workshop itself triggered the launch of a pilot scheme for the development of partner networks in the Ukrainian regions. The event venue was chosen deliberately: not only is Kharkiv one of the country's leading economic and scientific regions. There is also no shortage of manpower here: representatives from the German Centre in Kharkiv, the Economics Ministry's regional working groups (RAG) and the Department of Economic and International Relations of the Kharkiv regional administration have joined forces to form a committed core group with strong regional networks and expertise. They identified workshop participants from whom they could expect personal commitment and enthusiasm for promotion of the MP in the Kharkiv region. Decision-makers from local authorities, the local chambers of commerce, business associations and MP alumni took up the invitation.

The participants defined their own concrete interests in the MP and common approaches for development of the partner network. The specific characteristics of the Kharkiv region played an important role in this. MP alumni shared details of the training in Germany and the benefits for their businesses. The potential key players determined their roles and possible contributions to set-up and development of the network. The workshop par-

Seminar in Kiev





Seminar in Kharkiv

Participants agreed the focus of the partner network's activities in the Kharkiv region and planned the first steps. The future partners then discussed the question of what difficulties could hinder successful implementation of the MP in the Kharkiv region and how these could effectively be

remedied. The problem of a lack of coordination was already solved during the workshop: in future, the network will be coordinated by Olga Bolibok and Dmitri Koltchik from the German Centre in Kharkiv.

A source of inspiration: the 'Cooperation for Development' conference in Kiev

The workshop in Kharkiv is just one example. The conference in March also triggered the launch of a multitude of initiatives in other Ukrainian regions. Khmelnytskyi and Dnipropetrovsk are planning their own partner networks and other regions are expected to follow suit.

The discussion on the overall potential of the 'Fit for Partnership with Germany' programme and better use thereof formed the focus of the alumni conference. The conclusion: cooperation between MP graduates, authorities, RAG and programme coordinators should be intensified. Depending on the region and interests, different partners can be brought together in networks (e.g. at chambers of industry and commerce, universities, business and company associations). Both the MP and economic development in the regions stand to benefit from this. ■

Azerbaijan's Emerging Economy also Needs German Partners in the Future



Targeted economic promotion is a milestone in the strategy for economic growth in Azerbaijan. Here the exchange of experiences through the Manager Training Programme (MP) of the German Federal Ministry of Economics and Technology (BMWi) plays an important role. The Azerbaijani MP alumni association develops existing projects further and promotes the establishment of stable Azerbaijani-German cooperation. An overview by Tejmur Achundov and Schamil Afandijev.

With a share of 43 per cent in gross domestic product, the petroleum sector is extremely important for Azerbaijan's development and its integration into the global economy. The development of already existing and new petroleum and natural gas deposits, the integration of Western investors and experts, the construction of new petroleum and natural gas pipelines, the consolidation of the State Oil Company of Azerbaijan and the establishment of the State Oil Fund are among the most important areas of focus. At the same time, the so-called non-oil/non-natural gas sector, for example the production of renewable energy, has also been developing over the past ten years.

Government support for increased production

When Azerbaijan was faced with making the strategic decision of either focusing



Baku



Afsana Javanschirova

on the production sector or on tourism, it chose to promote production. This was obviously a step in the right direction because the Central Bank of Azerbaijan forecasts a growth rate of 11.7 per cent for 2013, in the non-petroleum/non-natural gas sector alone. Both medium-sized companies and large private companies are responsible for this growth.

Encouraged by the enormous economic growth in other countries in the region, many producers are already producing demanded products in their own country. Today, Azerbaijan can meet domestic demand for numerous products itself and expand diverse business activities – for instance, in the finance or building sector – into other countries. Special development programmes run by the government and favourable loan conditions support the real economy. Industrial estates with tax exemption are being set up and long-term direct investments secured. Programmes that are being created for the exchange of experiences also make an important contribution to this development.

Increased corporate success through training

Within the scope of the Azerbaijani-German Manager Training Programme financed by the German Federal Ministry of Economics and Technology (BMWi), more than 173 Azerbaijani executives from the most diverse economic segments have visited German companies to gather experience and establish contacts. Most of them came from the private sector, followed by venture organisations and government companies. Nearly all of them were successful in establishing promising business relationships with German partners and improving their



Agil Allahverdiev

own qualifications. Mutual cultural enrichment is an essential part of the Programme, and the stay in Germany is long enough for the participants to gain a deep insight into social life and become familiar with the particularities of daily life. Lively relationships, exchange visits and communication through social networks are an important basis for stable business cooperation.

The company Embawood (see Journal 1-2012), which manufactures home and office furniture, is an outstanding exam-

ple. Embawood works with leading German manufacturers of systems for the production of furniture and accessories such as Homag Group, Bürkle GmbH, Häfele GmbH & Co. KG, etc. The list of German partners is growing continuously. Seven new business relationships have developed just through the MP, resulting in contracts amounting to EUR 1,600,000. Today, Embawood is a company that has developed dynamically and with which, for instance, the European Bank for Reconstruction and Development (EBRD) gladly cooperates.

A further successful participant in the Programme is Mustafa Bagirow from the Ground Handling Company LLC. His company is responsible for ground transport within the Azerbaijani airports. During his stay in Germany, Bagirow met executives from twelve German air-

port companies. Due to his commitment and good negotiation skills, he was able to conclude agreements with four German companies regarding cooperation in a variety of business fields.

Azerbaijani dynamism met German thoroughness during the construction of the Baku Crystal Hall, which was built especially for the Eurovision Song Contest. Elnur Nadjafov, a representative of the company Alpine Bau Deutschland AG and directly involved in the building, summarised the situation as follows at an alumni meeting: 'I don't see any risk of having to realise future projects just as fast as the one in Baku. You won't find conditions and circumstances like those we had in Baku anywhere else.'

The MP alumni assess the value of the training as being very high. 'The Programme helped me to develop a new perspective on the opportunities transnational cooperation offers, and to gain new ideas for my narrow specialist field', said Agil Allahverdiev from Azerinshaat-service, a significant railway and road

construction company. Afsana Javanschirova from the largest Azerbaijani energy producer Azerenergy sums up his experiences: 'The comparison of the business models of German and Azerbaijani companies enabled me to develop practical recommendations for my employer.' And Ulduz Aslanova from the catering company C'est Bon in Baku is enthusiastic: 'This Programme provided the impetus for many participants,

including me, to become self-employed. The success stories of German entrepreneurs inspired me to develop a strategy for my new business field.'

Improved cooperation and a positive image through association work

A group of committed Programme alumni initiated the establishment of an Azerbaijani alumni association, which con-

In brief:

- Currently, 105 German companies are active in Azerbaijan.
- German companies are involved as contractors in 10 investment projects, for which the total cost amounts to more than EUR 460 million.
- According to the results for the period January to May 2013, turnover for foreign trade between Germany and Azerbaijan amounted to USD 1.066 billion, which is equivalent to an increase of 31.3%.
- March 2012: Opening of the German-Azerbaijani Chamber of Commerce Abroad in Baku

centrates on the cooperation between local and foreign associations, training programmes, MP alumni and business associations. In addition, it keeps an eye on creating a positive image with alumni, government authorities and non-governmental organisations. The association wants to strengthen relations with domestic and foreign business associations, provide systems for the exchange of information, and identify and implement transnational projects. Its areas of focus include setting up an alumni database and service offers for those interested. The continuous exchange of information with alumni associations in other MP partner countries rounds off the association work. Thus, the Azerbaijan alumni association sees itself, so to speak, as a continuation of the MP on a broader level.

Without doubt, Azerbaijan's emerging economy needs experienced, highly de-

veloped partners such as Germany in the future, too. And the political and economical decision makers are ensuring positive framework conditions: the Azerbaijani-German Chamber of Commerce Abroad is number two in the CIS behind the German-Russian Chamber of Commerce Abroad in Moscow. Through its work, the Azerbaijani-German working group for trade and investment is attracting more and more German investors. Since 1996, the German Academic Exchange Service has granted over 360 different scholarships to Azerbaijani students for their studies in Germany. Large German banks – Kreditanstalt für Wiederaufbau, Commerzbank and the Sparkasse – also already have branches in Azerbaijan.

Without government support, but also without numerous personal initiatives, the successes achieved so far would not

have been possible. The good cooperation is noticeable at all levels. Every contract signed, every conference organised, every Azerbaijani student who applies for a German scholarship, every German tourist who visits Azerbaijan enriches and intensifies the relationships between the two countries. ■



Tejmur Achundov is director of the department for bank cards and electronic services at ATABANK OJSC and a member of the management team of Baku Language and Business School (BLBS). He completed his MP training in Germany in autumn 2009.



Schamil Afrandjiev is director of the branch of Orchid Financial Services Ltd. in Azerbaijan and participated in the MP at Europanorat in Berlin in summer 2012.

First Euro-Asian Forum of the Business Communities



The Consortium 'Sibir' held the First European Forum of the Business Communities from 25 to 27 April with the support of GIZ and the French partners. The goal: to identify new opportunities and instruments for successful cooperation in the globalised business world.

Novosibirsk. More than 120 participants and alumni of the Russian President's Programme and the Manager Training Programme (MP) of the German Federal Ministry of Economics and Technology (BMWi) followed the invitation. Besides representatives of nine Russian regions, alumni from Azerbaijan, Belarus, China, France, Germany, Kazakhstan, Kyrgyzstan, Moldova, Turkmenistan, Ukraine and Uzbekistan attended.

Alumni organise a forum for alumni for the first time

The event was a great occasion for the alumni and a milestone in the alumni work of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. For the first time, alumni planned and organised an international forum for other alumni. They coordinated and realised their own ideas with

the representatives of the donor countries. For over 10 years now, GIZ has promoted the development of the alumni associations in Russia, planned events and carried them out together with the associations.

GIZ and its experts also supported the organisers in preparing and conducting this forum – but the initiative and the entire responsibility were in the hands



of the consortium 'Sibir'. While the Novosibirsk association 'Lider-Ressurs' was in charge, all decisions were made by the consortium together with the alumni associations and the Regional Resource Centres from Kemerovo, Omsk, the Altai region, Tomsk, Krasnojarsk, Buryatia and Tyumen. The consortium was occupied for almost half a year with the preparation of the event and was able to gain renowned backers. The representatives of the President for the West Siberian administrative district, the government of the Novosibirsk region, the Regional Resource Centre, the French Embassy in the Russian Federation, the German Consulate General in Novosibirsk, the German Federal Ministry of Economics and Technology, the German-Russian Management Network e.V. and GIZ were involved as partners.

Strong significance of the MP for economic cooperation

In their welcoming addresses, an employee of the German Consulate in Novosibirsk and a BMWi representative emphasised the significance of the MP and the alumni activities for Russian-German cooperation. The networks among the MP alumni from various countries are an important aspect of the alumni work of GIZ – the forum was successful in commencing and implementing them. There were also numerous discussions on social and economic topics in different discussion groups, in which the relationship between government, business and soci-

ety were examined. Viktor Tolokonskij, the representative of the President of the Russian Federation, emphasised the willingness for cooperation and confirmed the great potential of the alumni associations for the development of society and entrepreneurship in Siberia. As social organisations, the associations make an important contribution to the improvement of the business climate and the locational factors. This makes them promoters of interregional and international cooperation.

Round table on joint action and social projects

The representatives of the alumni associations from eleven countries took the opportunity to exchange ideas and develop joint projects. On the third day of the conference, there was a round table discussion on the working experiences of alumni associations in seven countries. Representatives of the seven Siberian associations reported on their projects and their social commitment. It was clear from all contributions that lobbying work and maintaining contact with alumni are very important. Sergej Tschesnokov from Novosibirsk summarised: 'We know that our own people are everywhere so that we receive support wherever we need it'.

In addition, projects were presented that focus on the social responsibility that companies have towards society. For instance, a representative of the as-

sociation in Tyumen reported that its members geared their company policy to a fair future for the people in the region. In Tomsk, the alumni have laid out a so-called 'Tree-lined Walk of the Alumni of the President's Programme' in a park – as sponsors, they have planted trees and placed benches. Many associations support pensioners, those in need or children with behavioural problems, are involved in work supporting homes for children or visit schools as discussion partners. There they conduct regular discussion rounds on the topic of 'entrepreneurship' and provide information on how to become successful in business. For Oleg Scheludjakov from the Altai region there is nothing more interesting than discussing the future with young people. The alumni associations in Novosibirsk and at Lake Baikal are also active in the fields of ecology and the environmental education of young people. Alumni spartakiads take place every year, in which the families of the alumni of the President's Programme also take part.

The representatives of the Uzbekistani alumni association, which was established only a year ago, also presented two projects. One project is concerned with environmental protection and the other with the integration of competitive athletes into working life. The participants in the round table intend to strengthen their cooperation, invite each other to events and plan joint projects. They have gained important impulses for these future activities from this conference. ■

Foreign Trade of the MP Partner Countries with Germany (2012)

Source: German Federal Statistical Office (Published on October 30, 2013)

- Imports from Germany in million €
- Exports to Germany in million €
- Total Turnover in million €



Ukraine

5.754,7
1.427,7
7.182,4



Belarus

2.309,5
769,4
3.078,9



Moldova

367,2
95,4
462,6



Mexico

8.870,6
4.329,8
13.200,4



Egypt

2.644,4
1.414,5
4.058,9



Turkmenistan

322,1
75,6
397,7



Azerbaijan

783,8
1.572,4
2.356,2



India

10.421,0
7.022,4
17.443,4



Kazakhstan

2.004,2
4.073,2
6.077,4



Uzbekistan

393,1
24,6
417,8



Kyrgyzstan

98,4
15,2
113,6



Mongolia

150,0
9,3
159,4



China

66.746,1
78.529,3
145.275,4



Vietnam

1.951,8
5.123,0
7.074,8

In Focus: The Mittelstand

In this edition of the journal, the focus is on the Mittelstand as well as on small and medium-sized enterprises (SMEs). While these terms are often used interchangeably, marked differences do in fact exist between the two. Indeed, there are even different definitions for the term 'SME': the Institut für Mittelstandsforschung (IfM) Bonn sets different size limitations than the European Commission, for example. While the IfM defines an SME to be a company comprising less than ten employees with annual turnover under EUR 1 million, according to the European Commission, SMEs can comprise up to 50 employees and generate annual turnover of up to EUR 10 million. Both the IfM and European Commission specify annual turnover of up

to EUR 50 million for medium-sized businesses, however the former stipulates a maximum of 500 employees and the latter just 250. For recognition as an SME by the European Commission, the company must still be independent.

Facts and figures alone are not sufficient to describe the phenomenon of the 'German Mittelstand'. The term 'Mittelstand' commonly used in Germany can be defined according to quantitative criteria for SMEs and qualitative criteria for family businesses. Hence its definition is somewhat broader than that for 'SMEs'. Companies with more employees can also be considered part of the 'Mittelstand' as long as they are independent. Many family businesses and

tradition-rich companies form part of the Mittelstand and also remain loyal to the corporate culture of the Mittelstand when they are larger than classic SMEs. The combination of liability and activity, a long-term corporate strategy and strict orientation to the profitability principle – this mentality characterises the 'German Mittelstand' irrespective of the company's size. SMEs make a substantial contribution to economic growth, innovation and employment. The Mittelstand is characterised by its diversity: young company founders, tradition-conscious family businesses, migrants with entrepreneurial spirit, reliable service providers, visionary inventors, high-precision craftspeople – the Mittelstand is driven by a multitude of different people and ideas.



The Heart of the German Economy

According to the German Federal Ministry of Economics and Technology (BMWi), small and medium-sized enterprises (SMEs) form the heart of the German economy. Be it the manufacturer of scaffolding systems, specialist for flavourings in the food industry, or provider of business software: while many are well-known within their industry, their names tend to feature on the front pages of the daily papers only rarely.

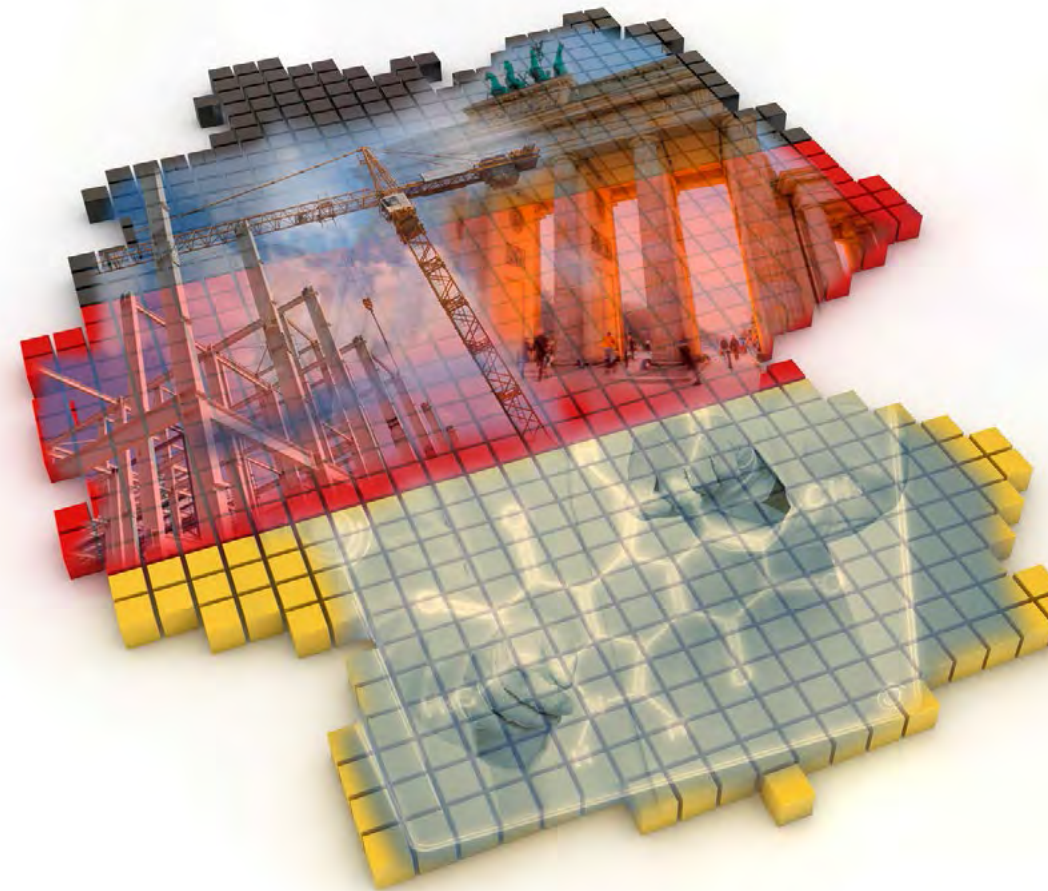
In Germany, there are around 3.6 million such medium-sized companies and just a few thousand large ones. Small and medium-sized companies contribute just over half (51 per cent) of the overall economic performance in Germany, and almost 61 per cent of the total workforce

is employed at a medium-sized company. The sound state of the German economy compared to that of other countries can thus largely be attributed to the success of the medium-sized companies in Germany. It is therefore no surprise that the so-called 'German Mittelstand' or 'Le

mittelstand allemand' is a source of much wonder but also of admiration and recognition in many countries. The aim of the German Mittelstand policy is for small and medium-sized companies to remain innovative and successful in the future, to create jobs and to contribute to growth and prosperity.

Quality and reliability are the competitive advantages

Mittelstand companies are spread across the country and have often been deeply rooted in their region for several generations. Despite their regional roots, many are also active on an international level: according to the SME panel 2012 of the Kreditanstalt für Wiederaufbau (KfW), around one quarter of all Mittelstand



companies sold their products far from their home country. These companies are highly competitive, frequently the world leaders in their field and therefore contribute to the export strength of the whole economy. Around one fifth of German export turnover is generated by SMEs.

The highest quality and reliability in production and delivery processes are the key characteristics with which German products score points in the international competition; particularly products and services from the manu-

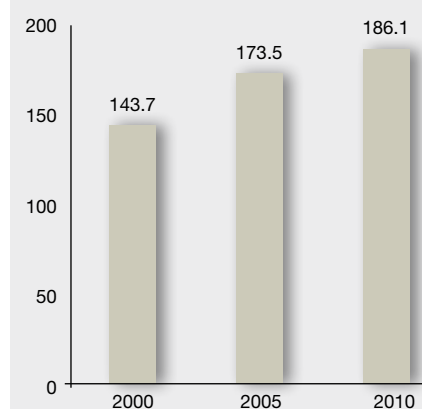
3.6 million small and medium-sized businesses exist in Germany

facturing industries are popular on the global markets. The overseas activities of the German Mittelstand are by no means a one-way street though: high-quality products and services are not only sold overseas. According to a survey conducted by KfW and Verband der Vereine Creditreform e.V., SMEs also benefit from the international exchange of ideas, whereby they gain new impetus for the research and development of their own new products. This can give rise to clear productivity gains and thus further advance the development of competitive advantages.

Innovations are the key to success – in Germany and overseas

According to KfW, companies from the manufacturing industry as well as research and development-intensive companies are particularly committed to foreign trade – and this to great success, which once again highlights the significance of innovations for business success. Germany recently moved up two places to fourth place in the World Economic

Export turnover of small and medium-sized enterprises in Germany (EUR billion), 2000-2010 development



Source: Federal Statistical Office (Destatis); small and medium-sized enterprises = companies with annual turnover of less than EUR 50 million



The 'German Mittelstand' Initiative

Despite the difficult conditions in recent years, the German economic model is a success and remains robust. One explanation for this, which is also often used by foreign media, is the productive and innovative German Mittelstand: a term with a positive connotation in German. In this context, German Economics Minister Dr. Philipp Rösler presented the German Mittelstand initiative in February 2012, which aims to help (innovative) German companies to establish themselves more firmly on European and international markets. German medium-sized companies are able to use the initiative's logo in their PR campaigns. Several German business associations (including the Association of German Chambers of Commerce and Industry (DIHK) and Federation of German Industries (BDI)) have expressed an interest in helping to spread the use of the German Mittelstand logo.

The initiative aims to:

- Establish the term Mittelstand more firmly abroad as a concept and mark of quality for small and medium-sized businesses from Germany.
- Support the Mittelstand in market penetration and provide German companies with a universal logo to use in their communication under the umbrella of the German Mittelstand initiative.
- Present the Mittelstand as a driving force for innovation. The high number of 115,000 innovative and 34,000 research-based companies confirm Germany is a nation of inventors, 'techies' and engineers.
- Help in the recruitment of skilled labour by boosting recognition overseas of the Mittelstand as an employer and better informing immigrants of work opportunities in the 'German Mittelstand'.

Forum's ranking of global competitiveness. This does not conceal the fact that competitiveness has become more intense overall.

Proportions accounted for by small and medium-sized enterprises in all companies in Germany



Source: Institut für Mittelstandsforschung (IfM) Bonn, companies with fewer than 500 employees or annual turnover of less than EUR 50 million. For trainees: companies with fewer than 500 employees

► And yet for most German Mittelstand companies, the strongest competitors are – other than perhaps assumed – often located in close proximity. The competitive pressure from overseas is also growing though; according to surveys conducted by KfW, particularly from Central and Eastern Europe but also from Western Europe and Asia. To keep pace with the competition both within Germany and worldwide, the companies must consistently develop their competitive advantages. This means increasing the quality and efficiency even further. The development of new processes and products are an important requirement here.

Create more space for new ideas

This is an important starting point for the German Mittelstand policy. The German Federal Government aims to improve the business environment in Germany to such an extent that more space is created for the realisation of new ideas. Within this, particularly the disadvantages suffered by small and medium-sized companies compared to large ones should be eliminated. In concrete terms, this means that to advance innovations, the development of new products and business ideas is supported with countless measures and specifically with the Central Innovation Program SME (Zentrales Innovationsprogramm Mittelstand – ZIM).

This is also the aim of a range of initiatives and campaigns to promote the establishment of new businesses. The skilled worker campaign within the framework of the Mittelstand policy is a further building block to further develop

the strengths of the German Mittelstand. The German Federal Government supports young businesses in particular with a multitude of tools to bridge funding shortfalls in the development and implementation of new product ideas. After all, manageable regulations and as little bureaucracy as possible are also part of a hospitable business environment. This is also a key aim of the German Federal Government's Mittelstand policy.

Easier access to foreign markets

According to KfW, a company's overseas activities are primarily defined by its size: thus, larger Mittelstand companies are significantly more active in the export market. One further important aim of the German Mittelstand policy is therefore to help SMEs to access new foreign markets. Upon entering into the export business, particularly smaller Mittelstand companies often encounter significant obstacles. According to surveys conducted by KfW, these are primarily associated with a lack of legal certainty in the respective target country, with the necessary administrative costs in the export business and with the payment behaviour of the foreign business partner.

It is here that the German Federal Government offers support: its business development agency, Germany Trade & Invest (GTAI), makes extensive information and advice available to enable a better assessment of the opportunities and risks of potential markets. With its programme to facilitate market access for SMEs, the German Federal Ministry of Economics and Technology

(BMWi) gives medium-sized companies the opportunity to establish preliminary contact with potential business partners locally. The industry-specific export initiatives in the fields of security technology, renewable energies, energy efficiency and health care also pursue this aim. The international trade fairs programme of the German Federal Ministry of Economics and Technology (BMWi) enables companies to present themselves, their products and their services on foreign markets. The global network of bilateral chambers of commerce funded by the German Federal Government also specifically helps SMEs to access new markets. The Manager Training Programme is another important component of the German foreign trade policy. With its partnership approach, it helps SMEs from both Germany and the partner countries to access the respective foreign market.

51 % of the German economic performance is contributed by SMEs

Companies can take advantage of the German Federal Government's export credit guarantee scheme ('Hermes Cover') to hedge against the risk of defaults on payments. This is an important tool for the Mittelstand in particular; almost three quarters of Hermes Cover is granted to SMEs. With the investment guarantees from the German Federal Government, companies can protect themselves against political risks in foreign investments, particularly in developing countries and emerging nations. The companies of the German Mittelstand are positioned comparatively well. Yet they find themselves facing stronger competitive pressure and continuing barriers to trade both in Germany and abroad nonetheless. The aim of the German Federal Government's Mittelstand policy is to advance innovations in this context and to facilitate the opening up of new markets so that competitive advantages can be developed and long-term growth and employment ensured. ■



Dr. Armgard Wippler is Head of Department for General Issues of SME Policy at the Federal German Ministry of Economics and Technology.

Financially Strong, Innovative, Export-Oriented



These are the strengths of many small and medium-sized enterprises (SMEs) in Germany. Compared to its international counterparts, the German economy has been faring well for years now. An important factor in this success is the 'German Mittelstand'.

According to estimates by the Institut für Mittelstandsforschung (IfM) Bonn for 2012, approximately 99.6 per cent of the total of 3.7 million companies in Germany are an SME. With 21 million employees and an 80 per cent share in the total workforce, they are the country's largest employer, train some 1.3 million young people in the dual vocational training system and thus secure the skilled workers of tomorrow. What's more, with a net share in the value-added of almost 52 per cent, the SMEs make a key contribution to the success of all German companies.

High equity ratio secures financial independence

Financially, the German Mittelstand is extremely sound, as the company survey conducted by KfW in 2013 shows. Almost 84 per cent of Mittelstand companies asked stated that in 2013, their equity ratio had remained constant (40.3 per cent) or increased (44.4 per cent) compared to the previous year. German small businesses (with fewer than 10 employees) have developed particularly well over the past year. According to KfW's SME panel 2012, between

2005 and 2011, they increased their returns on sales disproportionately from 9.9 per cent to 11.4 per cent.

With an equity ratio of 28.1 per cent, medium-sized companies (with 50 or more employees) also reduced their reliance on borrowed capital. SMEs favoured the financing of investments from equity capital. Every second euro invested was provided by the companies themselves. The German Mittelstand companies consequently enjoy a strong negotiating position vis-à-vis their banks. The Mittelstand used bank loans to finance approximately 29 per cent of its investment volume, followed by alternative forms of financing such as public-sector assistance (11 per cent), mezzanine or venture capital (6 per cent). According to the latest KfW survey, reasonable credit conditions and a processing time of a maximum of 13 days are important for the companies.

More than 85.000 SME-employees work in the research sector

High research investments and cluster activities

With the sharp increase in the integration of Mittelstand suppliers into the value-added chains of large companies, their need to also develop the products further together has also grown. Non-university research institutes, universities and companies are therefore working together within the industrial research community and countless clusters to improve and develop new products and services. This enables small companies in particular to participate in research and development without having to build up their own capital-intensive research laboratories. With this cooperation, the German Mittelstand companies also respond to the international competitive pressure and increasingly invest in research and development. According to the Stifterverband innovation agency for the German science system, their investments in innovative products, services and processes increased by more than 85 per cent to almost EUR 9.5 billion between 2004 and 2011. This corresponds with average annual growth of 9.3 per cent. SMEs afford a stock of research personnel comprising more than 85,200 employees.



Sönke Winterhager, BGH Edelstahlwerke GmbH Freital, a participant in the 2006 'Fit for Business with Russia' programme

Besides the Central Innovation Program SME (Zentrales Innovationsprogramm Mittelstand – ZIM) and the support of the industrial research community, the German Federal Government has been committed to cluster promotion for almost 20 years now. The latest initiative by the German Federal Ministry of Economics and Technology (BMWi) known as ‘go-cluster’ supports the more than 80 high-performance German clusters from a variety of industries in their internationalisation endeavours. The approximately 6,000 companies of the German Mittelstand involved comprise the largest group of cluster members. Many of these innovative networks strive to obtain the Gold Label of the European Cluster Excellence Initiative (ECEI). Seven of the 18 European clusters that have been awarded the gold label are from Germany. To enable the continued existence of small high-tech companies and start-ups, the German Federal Ministry of Economics and Technology (BMWi) and private investors established the ‘High-Tech Gründerfonds’ (HTGF) in 2005. Together with the two existing funds, around 250 innovative companies have so far benefited from risk capital from the fund of more than EUR 570 million.

Germany has the largest number of hidden champions

The success of the German Mittelstand often goes undetected though, as the companies are active in profitable niche markets (mostly industrial goods markets) rather than focusing on prominent branding in the consumer goods industry. Thus they are referred to as ‘Hidden Champions’ (c.f. p X). According to calculations by management consultant Hermann Simon, Germany leads the list of ‘Hidden Champions’ by a long way with 1,307 of the more than 2,700 companies worldwide. The world’s largest national economy, the USA, ranks second with just 366 companies.

Returns on sales and equity ratios in the German Mittelstand

Employees	Returns on sales (%)		Equity ratio (%)	
	2005	2011	2005	2011
<10	9.9	11.4	16.1	23.5
10-49	3.6	4.3	18.0	26.6
>50	3.3	3.7	27.2	28.1
Total Mittelstand	5.4	5.7	22.5	26.9

Source: KfW SME panel 2012

‘Hidden Champions’ employ an average of 2,000 workers with annual turnover of EUR 326 million, meaning they tend to be large companies. However, they also include countless medium-sized companies; almost every fifth company employs fewer than 200 people. Some of them are even small companies, as is the case with Stengel Engineering. The Munich-based business employs about ten people and is the world’s leading planner of roller coasters. Since the company’s founding in March 1965, it has planned more than 600 roller coasters and a further 600 amusement rides.



GERMANY
TRADE & INVEST

Germany Trade & Invest is the agency for foreign trade and location marketing of the Federal Republic of Germany. It advises foreign companies seeking to expand their businesses into the German market, and supports German companies seeking to enter foreign markets with foreign trade information.

Simon attributes the large number of ‘Hidden Champions’ in Germany to a whole host of location advantages: the excellent dual vocational training system, the central location in Europe and the strong industrial basis. Regional expertise also plays a major role. The renowned medical technology cluster in the town of Tuttlingen in Baden-Württemberg was established back in the early nineteenth century when knife manufacturers increasingly began to settle there and, according to city records, the first surgical instruments were produced here in around 1866. Today the

97.6% of all German export companies are SMEs

cluster comprises some 400 mostly medium-sized medical technology companies with high research and development costs.

Success through exports primarily to third countries

Simon names the early export orientation of companies in Germany as one further reason for the many German ‘Hidden Champions’. Today over 40 per cent of German medium-sized companies are exporters. With 97.6 percent of all German export companies, the almost 345,000 Mittelstand companies form the largest group. In 2010, the Mittelstand exporters earned approximately 20 per cent of their turnover overseas – more than EUR 186 billion. Their overseas turnover has thus increased by almost 13 per cent since 2004.

The companies see themselves as well-equipped to access foreign markets. Competition mainly comes from within Germany, as the KfW SME panel 2012 revealed. According to calculations by the IfM Bonn, every tenth small or medium-sized business mainly exports to the neighbouring EU states. They also benefit from Germany’s central location within Europe – between the large trade partner of France and the emerging economies in Central and Eastern Europe, whose most important source of imports is often Germany.

In the long term, the German Mittelstand increasingly also strives for success outside of Europe. While the European markets are largely saturated and no clear stimulus is therefore expected before signing of the EU free trade agreement with the USA, they are increasingly venturing into third countries. In the BDI SME panel 2012, more than three quarters of the Mittelstand companies indicated plans to concentrate specifically on Brazil, China and Russia in the coming two years. ■



Marc Lehnfeld is occupied in Berlin as Manager Market Surveillance at Germany Trade & Invest, where he works on analyses regarding the investment location Germany with the focus on research & development as well as the medium sector.

Small and Medium-Sized Enterprises in the Partner Countries

Challenges and prospects in economic cooperation with German and European companies



At the annual conference of the partner countries of the Manager Training Programme (MP) held in Berlin on 5 September 2013, one focus was on development of the Mittelstand in Eastern Europe. The German Advisory Group on Economic Reforms of the German Federal Ministry of Economics and Technology (BMWi) shared its experiences.

1. SMEs in the partner countries

The central importance of small and medium-sized enterprises (SMEs) in Germany is widely known. SMEs contribute more than 50% of the value added and are often innovative and export-oriented companies. A multitude of scientists and institutes regularly monitor the sector’s development and develop analyses on the subject. However, the promotion of SMEs is also a central concern for political representatives and for the German Federal Ministry of Economics and Technology (BMWi) in particular.

The role of SMEs in the partner countries of the Manager Training Programme of

the German Federal Ministry of Economics and Technology is far less known and, in part, also not researched systematically. This particularly applies to the partner countries of Ukraine, Belarus and Moldova where the German Advisory Group on Economic Reforms of the German Federal Ministry of Economics and Technology (BMWi) has advised high-level government officials for many years now. However, the scientific analysis of the SME sector should also be restricted in other CIS countries, including Russia.

The problem does not lie in the definition of what an SME is – this is generally very similar in Germany and the EU. It is in fact the statistical registration of SMEs that is problematic. The number of SMEs shouldn’t be overestimated, for example,

as there are a large number of inactive SMEs, which have simply not been wound down due to regulatory hurdles. In many countries in the region, winding down a company is an extremely time-consuming and costly affair. Moreover, special rules and reporting regulations often apply for individual enterprises taxed at a flat rate. Besides the positive administrative relief, this also has a negative impact on registration of the scope of activity of individual companies and on the reliability of statistics on the SME sector though. Indeed, medium-sized companies are often not included in the statistics at all.

Despite this concern, several important insights can be gained into the SME sector in the CIS countries. Firstly, the contribution of the SME sector to the over-

SMEs in the partner countries: key data

Proportion of SMEs	Russia	Ukraine	Belarus	Moldova	Germany	EU 27
Companies	n/a	99.4%	94.2%	97.7%	99.5%	99.8%
Employment	25%	58.1%	27.5%	58.8%	60.9%	66.9%
Value added	21%	n/a	22.9%	28.9%	53.8%	58.4%

Sources: Rosstat, Opora, Belstat, EU, OECD, State Committee of Statistics of Ukraine



Svetlana Ossipova, Slotex AG St. Petersburg,
an MP participant in 2000

all employment and particularly value added is currently significantly lower than in Germany and the EU, as is clear from the table above.

Secondly, SMEs are also mainly active in the region in industries with low productivity. The share of 'trade and repairs' in the SME sector lies at over 40 per cent in both Ukraine and Belarus. In contrast, the corresponding share of the 'processing industry' lies at around just 15 per cent in both countries. This industry structure explains the lower value added of the sector indicated above, despite relatively high employment and a large number of SMEs.

Thirdly, SMEs in the region are not particularly export-oriented. This applies although these countries are extremely open national economies – as is the case with most of the partner countries. In many countries, raw materials and commodities – and therefore also large companies – dominate foreign trade.

It can be concluded from the above findings that SMEs in the region still harbour a great deal of potential. This particularly applies to their contribution to value added and foreign trade. A sensible approach to better tap into this potential would be greater cooperation between German and European companies.

2. Challenges and prospects for SMEs in cooperation with German companies

To identify the prospects of a cooperation between SMEs in the partner countries with German companies, we considered the typical course of international cooperation strategies.

Countless discussions with business representatives from Germany and the partner countries have led to the conclusion

that German companies already manufacturing locally (Stage 4) represent a realistic opportunity for cooperation with the SMEs in the partner countries. This applies both to services such as accounting, tax and legal consulting, transport, and guarantee and repair services ('after-sale services') as well as to the supply of goods for the production process. According to information from many German companies, scope for improvement exists in the field of supply in particular. In many cases, a cooperation with local suppliers was discontinued by the German side. As such, it is important to understand what the challenges to better exploitation of this potential are.

One key problem lies in the fact that SMEs in the MP partner countries often do not understand what is important in the cooperation with German companies. German companies generally pursue a strategy in which the focus is not on short-term gains. Instead, long-term market leadership is aspired to,

which is primarily dependent on high quality and stable cooperations. A specialisation in core competences is also of the utmost importance. Long-term, trusting and reliable cooperation with German

more than 500 million consumers and a GDP of 13.000 billion Euros: the EU-market

companies is therefore decisive, including adherence to deadlines and quality assurance. One central challenge for SMEs in the partner countries therefore lies in understanding and acknowledging the objective and approaches to work of German companies locally.

However, SMEs in the partner countries also harbour potential in the export of goods to Germany and the EU (Stage 1 from the perspective of local companies). As mentioned above, SMEs in the partner countries have, to date, only been involved in foreign trade to a minimal extent. The prospects are significant, as the EU market comprises over 500 million consumers and has a GDP of EUR 13,000 billion. One important challenge lies in the certification and approval of products. Many partner countries in the CIS region still have antiquated national standards, which are not recognised internationally. Companies must obtain additional certification for export, which is associated with considerable costs. However, the planned Deep and Comprehensive Free Trade Area (DCFTA) with countries such as Ukraine and Moldova are sensible approaches to

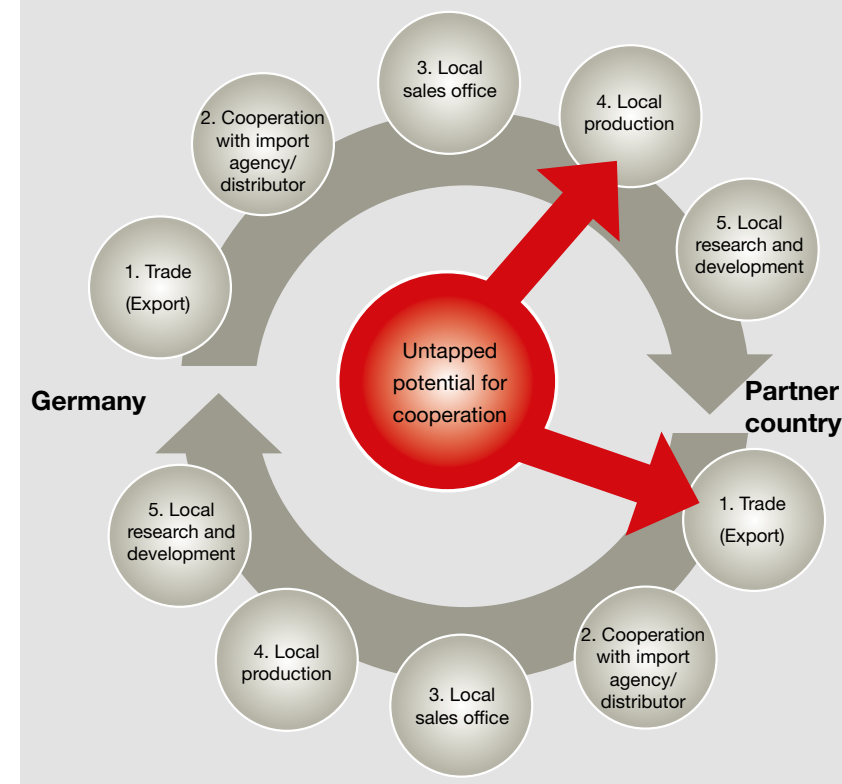


reduce these costs. One further challenge for economic policy relates to currency regulation, which is extremely stringent in many countries. The outcome is very high costs for foreign trade, particularly for SMEs. More efficient currency regulation is indispensable if the commitment of SMEs to foreign trade is to be increased. Finally, there are also challenges in the management of SMEs. Knowledge of the markets and the customer needs in the target country but especially also language skills are required in particular to successfully enter into the export business.

3. Conclusions

SMEs in the MP partner countries harbour a great deal of potential. Intensified

International cooperation strategies: typical course and potential



cooperation with German companies would undoubtedly contribute to better exploitation of this potential. The cooperation with German companies, who already manufacture locally and are therefore reliant on services and the supply of goods, is particularly promising. However, it is essential for local managers to better familiarise themselves with the working methods of German companies. The Manager Training Programme offers many managers from the SME sector in the partner countries the opportunity to gain valuable experience with German companies. This 'learning by doing' approach is particularly suitable for overcoming the challenges outlined above and makes a decisive contribution to the promotion of foreign trade between the partner countries and Germany.

However, economic policy and particularly the promotion of SMEs in the partner countries face major challenges. The advisory groups of the German Federal Ministry of Economics and Technology (BMWi) in the partner countries of Ukraine, Belarus and Moldova make an important contribution here to improvement of the investment climate and to the promotion of SMEs, whereby the economic exchange between Germany and the partner countries is supported.

As such, the Manager Training Programme and the high-level advisory groups are complementary approaches, whereby both pursue the same aim of foreign trade promotion. The Manager Training Programme reinforces the capabilities of SME managers; the advisory groups contribute to improving economic policy and therefore to enhanced framework conditions in the partner countries. ■



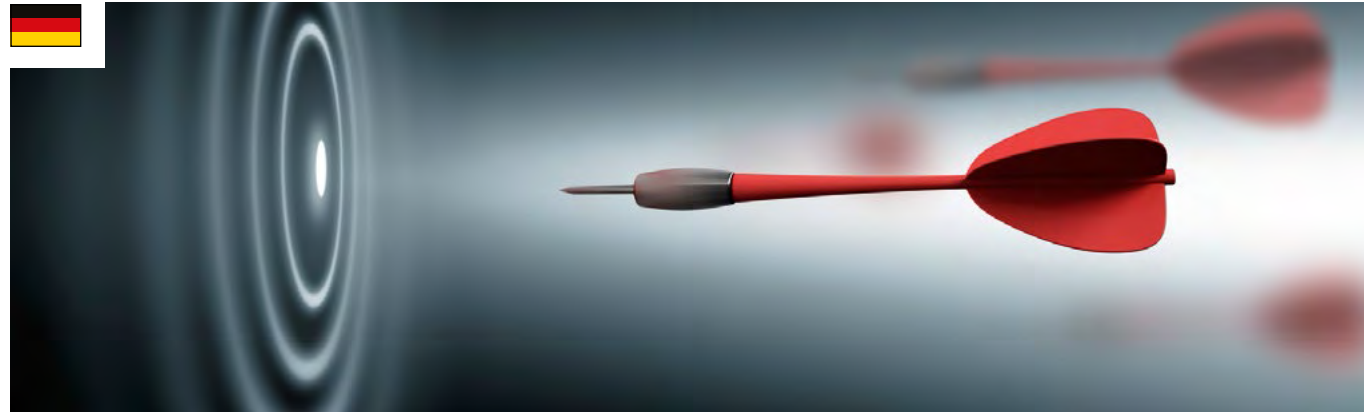
Dr Ricardo Guicci is Managing Director of Berlin Economics. The focus of his consulting and research activities is on monetary and fiscal policy as well as other financial sector topics. He is active as an economic policy advisor in Belarus, Germany, Moldova, Ukraine and the Russian Federation, among other countries.



Inge Toschev was occupied as head of a department at the German Federal Ministry of Economics and Technology from 2003 to 2010 and has extensive knowledge on the countries of Eastern Europe, gained over many years. Since 2010, she has held the position of Project Director in the project Advice for Governments and acts externally as the group's head of policy.



Alexander Knuth gained experience in consultancy for business start ups and on the promotion of SMEs in Germany. Within the scope of the project Advice for Governments, he has drawn up numerous recommendations on SME promotion and the investment climate as well as on attracting foreign direct investment.



Germany has been the world's leading exporter for 10 of the last 25 years, and 2012 marked another record year. Exports – not domestic demand – sustain Germany's economy and low unemployment rates. Small and medium-sized companies, or, more precisely, an elite tier known as 'hidden champions,' make up the basis of this success. With 16 such hidden champions per one million inhabitants, Germany is well ahead; France, in comparison, has a ratio of just 1.1, the United States comes in at 1.2, and Japan at 1.1. So why are there so many hidden champions in Germany? Ac-

foreign competitors, thereby creating fertile ground for continued growth and export success.

Traditional skills

Many regions in Germany have long traditions of specific skills that businesses still build on today. Clocks have been produced in Germany's Black Forest for hundreds of years – a manufacturing process which requires sophisticated fine mechanical skills. Today, Tuttlingen, at the edge of the Black Forest, is home to more than 400 compa-

The power of innovation

To measure Germany's innovation strength, one need look no further than the number of patents per capita granted by the European Patent Office (EPO). If we look back at the last ten years, Germany has more than twice as many patents per capita as France, four times as many as Italy and the United Kingdom, and 20 times as many as Spain. In Europe, Germany's innovative strength is outstanding and sets benchmarks internationally.

Fierce competition

In his book 'Competitive Advantage of Nations', Michael Porter argues that strong domestic rivalry is a key driver behind a country's international competitiveness. One third of hidden champions say that their strongest competitors are in Germany. These tough domestic rivalries contribute to the competitive strength of German companies.

'Made in Germany'

Believe it or not, the 'Made in Germany' label first appeared in the United Kingdom in 1887 to designate inferior products. Nowadays, it means just the opposite. This first-class seal of approval – backed by the quality of the products themselves – has certainly contributed to the lasting success of Germany's exporters.

Industry clusters

Germany has dozens of industry clusters that encourage excellence by concentrating

inspiration for companies to emulate their neighbours' successes and become a market leader in their own field. Germany is more entrepreneurial than many think, but these entrepreneurs remain hidden.

Regional spread

In most countries, intelligence is concentrated in hubs – usually in the capital. Paris, London, Tokyo, and Seoul are just some examples. In contrast, few countries are as decentralised as Germany. Many world-class companies can even be found in Germany's rural areas. I see this regional spread as a huge advantage. Even in the former communist states of East Germany, 45 hidden champions have emerged over the past two decades.

shorter. Both Tokyo and San Francisco are less than 11 hours away from Frankfurt. Germany is also centrally located within Europe. All of these advantages will become even more important as globalisation continues to develop.



The „Hidden Champions‘

According to my research, there is no simple answer because there is no single cause. The success of the hidden champions is due to a complex set of influences; some are geopolitical, some rooted in family values, and others are based on technological traditions that go back centuries.

Germany's history of small states

Until the end of the 19th century, Germany was – unlike France or Japan – not unified. It was a hodgepodge of small states, cities, kingdoms, and principalities. Companies in this 'Germany' had no choice but to internationalise quickly if they wanted to grow. Pascal Lamy, the former president of the World Trade Organization (WTO) said: 'Because Germany was not a nation in the 19th century, companies went into international business already then. It is still paying off today.' (Welt am Sonntag, 1.9.2013). The same urgency to internationalise can still be observed among German entrepreneurs today. Hidden champions start exporting much earlier than their

nies that specialise in medical technology and, in particular, in the production of surgical instruments – an area that also strongly relies on these competencies. Or take Göttingen in northern Germany: Why does this small university town have 39 companies, many of which are world market leaders, in measurement technologies? The explanation originates in the mathematics department at the University of Göttingen, a faculty that was at the forefront of mathematics for centuries. Several of these companies are built on principles first discovered by groundbreaking mathematician Carl Friedrich Gauss, who served at the faculty at Göttingen for more than 40 years. Former Siemens director Edward Krubasik says that 'Germany uses its technology base, which stretches back to the Middle Ages, to be successful in the 21st century.' And Peter Renner, chairman of Dolphin Technology, itself a measurement company, says, 'Germany is still a huge engineering office.' Some things really don't change.

Strong manufacturing base

In contrast to countries such as the United Kingdom and the United States, Germany has retained its manufacturing base over the past decades. Criticised as outdated in past years, this strategy is now a source of admiration. The correlation coefficient between the percentages of GDP accounted for by manufacturing and the trade balance (exports minus imports) is 0.79. Germany may be old-fashioned in this respect, but its commitment to this strategy helps explain its success as an exporter.

Trends in unit labor costs

Throughout the last decade, German exports have benefited tremendously from keeping domestic unit labour costs down. These costs grew only modestly or even fell between 2000 and 2012. Over that entire period, Germany's labor costs rose by only 10.8 per cent, compared to 24 per cent across the Eurozone and 30 per cent in France.

and their Keys to Success

the best skills worldwide into one region. Some clusters in Germany have roots that stretch far back in time, such as Solingen (the 'city of blades'), roller bearings in Schweinfurt, lock technology in Velbert, and pencils in Nuremberg.

Entrepreneurial clusters

In addition to industry clusters, I have discovered countless geographical concentrations of hidden champions from different industries. Windhagen, a village in the Rhineland with a population of 4,260, has three world-market leaders: Wirtgen, a leader in road-milling machines; the JK Group (Josef Kratz) in professional tanning beds; and Geutebrück, forerunners in customised surveillance systems – even the Kremlin uses their systems, for example. One finds innumerable strange clusters of unknown world-market leaders across Germany. What's happening here? Let's just say that entrepreneurship is infectious and contagious. The social infrastructure binding people together in these regions provides

Vocational training system

Germany's unique vocational training system is frequently named as one of the reasons for the country's competitive strength – and rightfully so. 'Germany is well positioned in this area,' reported the OECD in a 2010 study about vocational training. I have nothing to add to this. We have seen that other countries are increasingly trying to replicate this distinctive German model.

Central geostrategic location

Even in Globalia, the globalised world of the future, the need to overcome distances and time zones will remain. In this respect, Germany has unique geographical advantages. From here, you can phone Japan and California during normal business hours. This doesn't work from America to Asia and vice versa, as the time differences are 10 to 12 hours. From here, you can phone Japan and the travel times faced by Asian and American businesspeople are also

'Mental' internationalisation

International business has always required people to broaden their cultural horizons. Anton Fugger, the highly successful sixteenth-century global trader, said, 'The best language is the customer's language.' Among the large countries of the world, Germany is at the forefront in terms of 'mental' internationalisation. Only smaller countries such as Switzerland, the Netherlands, and Sweden are even further ahead.

This analysis has shown that the success of German companies springs not from one single source, but from a rather complicated bundle of interrelated factors, most of which are hard for other countries to imitate. ■



Prof. Dr. Dr. h.c. mult. Hermann Simon is the founder and chairman of the global strategy consultancy Simon-Kucher & Partners. He has been ranked in German-speaking countries as the most important management thinker after the late Peter Drucker. Simon speaks frequently to audiences around the globe. He has published more than 30 books that have been translated into 25 languages.

Medium-Sized German Company Sets its Sights on Viet Nam

The start was successful: shortly after initial talks, the medium-sized pharmaceutical company Queisser could already start selling health products in Viet Nam. The right contact – arranged through the Manager Training Programme (MP) – proved decisive. The guarantors of success: a professional approach, coordinated expectations and, last but not least, good interpersonal relations between the partners.



Hanoi

Flensburg / Hanoi. At Queisser Pharma GmbH, family tradition meets modern entrepreneurship. This is characterised by flat hierarchies, short decision-making processes and excellent personnel management. Queisser also chooses new sales contacts abroad according to these principles. Abian Jama is the person responsible at the pharmaceutical company for opening up Asian markets. 'To a large extent, I have a free rein to initiate and establish business contacts, as was recently the case in Viet Nam', says the export area sales manager. Partners with whom he can establish flexible and, at the same time, lasting relations are particularly important to him. The MP opened the right door for him for the company's market entry in Viet Nam. 'At first, I was sceptical', Jama remembers, 'because our experiences with Vietnamese contacts in

the past had not been good. But the recommendations made by the Wirtschaftsakademie Schleswig-Holstein, which organised the MP, seemed to be very suitable for our medium-sized company and also reliable, so we were glad to accept the offer of discussions.'

Professional and personal benefit for both sides

The contact with the Vietnamese businessman Tran Minhthao was of benefit to both sides right from the start. As the owner of a franchise branch of a German sales chain, Minhthao was looking for partners in Germany when he participated in the MP. He had familiarised himself with the German way of thinking, German etiquette and international business practices in summer 2012. Thus,

he left a good impression at the Queisser Pharma headquarters in Flensburg and during a later return visit in Viet Nam. 'The chemistry was right between the two of us from the beginning on', Jama says. 'We are more or less the same age and quickly built up a good relationship. When I visited Viet Nam, Minhthao introduced me to his family right away – that is something that you cannot take for granted.'

Mutual rapport combined with professionalism on both sides and mutual company interests were the basis of the successful launch of Queisser's products in Viet Nam. Due to the quick decision-making processes at Queisser and the flexible form of cooperation, an agreement was already concluded shortly after the first meeting, designating Minhthao's company Mastertran as the exclusive sales partner for Viet Nam. The branch was officially opened in Hanoi, and in June 2013, just one year after the first contact, the well-known Queisser brand 'Doppelherz' was launched in the country. During and after the market entry, Queisser had benefited enormously from the local experience of its partner Minhthao. This confirmed Jama's opinion that the healthcare sector is becoming increasingly important due to the population's increasing quality of life and makes Viet Nam ideal not only as a sales market, but also as a springboard for business in South East Asia.

Altogether, the cooperation is running well for both sides, even though the current economic situation in Asia poses risks. At the moment, Minhthao is

planning to employ some German staff in Viet Nam and intends to expand the cooperation. That way, both the medium-sized company Queisser and the up and coming company Mastertran can both profit on the Vietnamese market.

Learning from each other, working together

The understanding of the particularities of Vietnamese culture, society and economic framework conditions grew in the course of the cooperation. It was already clear to Jama before that the initiation of business relations in Asia depends mainly on two factors: on one hand, sufficient time should be calculated for preparing the business; on the other hand, a high level of intercultural competency should already be available.



From left: Abian Jama and Tran Minh Thao

Today, Queisser has not only entered a promising new market in Viet Nam – the people in charge have also come to appreciate the positive qualities of their Vietnamese partners, which include the advantages of 'Asian patience', a positive attitude in professional and interpersonal relations and a strong interest in the partner country and its people.

Jama puts it in a nutshell: 'I could easily imagine further similar cooperation in the future.' And the quality of the contacts through MP for his company's requirements has convinced him: 'I would always advise other companies, particularly in the medium sector, to make use of the contacts from the Programme. It is quite probable that they will find reliable partners.' ■

Entry into the Vietnamese Healthcare Industry

Tran Minhthao is the owner of two companies: the mechanical engineering company Unition, established by him, and the company Mastertran, a franchise branch of a German sales company. With typical Asian flexibility regarding new business ideas, he was receptive to all kinds of business opportunities between Germany and his home country Viet Nam during his participation in the Manager Training Programme (MP) organised by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Hanoi / Kiel. Tran received extensive information and support from the Academy of the Chamber of Industry and Commerce in Kiel, which was commissioned by GIZ to carry out the Training Programme. Through the contact arranged by them, he had the opportunity for discussion with the medium-sized company Queisser Pharma, a well-known manufacturer of medicines, medical products and dietary supplements in Flensburg, on the possibility of establishing a sales channel in Viet Nam for Queisser. Both sides agreed that, due to the increasing standard of living

and the growing quality of life in Viet Nam, the healthcare sector is gaining more and more importance. Viet Nam has a good 90 million inhabitants and enormous potential for the healthcare industry. Furthermore, Viet Nam could become a springboard for business in South East Asia. Shortly after the first meeting, Tran and Queisser already signed an agreement on the designation of Mastertran as Queisser's exclusive sales representative in Viet Nam.

Half a year after Tran's participation in the Manager Training Programme, Queisser started its business with an official celebration in the capital city, Hanoi. In June 2013, 'Doppelherz', one of Queisser's most important brands, was launched in Viet Nam. The products that Queisser has been developing in Germany for more than 120 years and the corresponding know-how in the field of health have been offered for sale in Viet Nam since the launch.

The Manager Training Programme not only played a major role in organising the meeting between Tran and Queisser, but also in imparting basic knowledge on cooperation with German companies and on international business practices. Through the seminars in Germany, Tran received new insights, particularly into personnel management and controlling. In addition, he became familiar with international business strategies. After returning home, Tran reorganised the management structure in both of his firms. The result was encouraging: the efficiency of both companies has improved considerably, and fewer mistakes are made.

Furthermore, Tran has become familiar with the German mentality and German etiquette. Mastertran's parent company is from Germany, but, as its franchise holder in Viet Nam, Tran had not had much experience with Germans. It was only in the relevant courses of the MP that Tran learnt about developing business relations with German partners. Directly afterwards, he was able to put theory into practice during his visits to German companies. 'I have gained a new perspective on Germans and Germany', says Tran. Tran's cooperation got off to a smooth start thanks to his new skills in business and intercultural relations. The current critical economic situation in Asia could pose difficulties for Tran's new business in the healthcare sector. Nevertheless, the joint venture is still working satisfactorily. Tran plans to employ some German employees in Viet Nam in the near future and to expand the cooperation with Queisser. That way, Mastertran and Queisser could mutually profit from this emerging market with its keen competition. ■

DRMN – Strong Association, Strong Members



The Deutsch-Russische Management Netzwerk (Russian-German Management Network; DRMN) is an active core of alumni from the 'Fit for Business with Russia' programme. Nathalie Wenzel from the association's board reports on the network's objectives, strengths and appeal.



Freital. With the support of the predecessor organisation to today's Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), alumni from the 'Fit for Business with Russia' programme pilot group founded the DRMN as an association of like-minded individuals in Berlin in 2007. The German managers had all been invited by the Russian government to participate in a two or three-week visit to selected Russian regions where they garnered valuable insights into Russia's business world. One in three German programme participants recognised the advantages and opportunities of the network and joined the DRMN. Soon the association will pass the 100 member mark.

The Russian Presidential Programme's 'little brother'

Nils Knigge has acted as Chairman of the Board for years, investing a large portion of his free time. He represents the DRMN in Germany and Russia and attends all the ground-breaking events. He explains the association's approach: 'The 'Fit for Business with Russia' programme is kind of like the Russian Presidential Programme's little brother – for many it opens doors to business with Russia. German participants profit from the excellent preparation at both ends of the trips – so constructive dialogue with GIZ is very important. On the Russian side, DRMN acts as an interface for the enormous Russian alumni organisation. The DRMN focuses overall on cooperation and is also a member of a range

of different German partner organisations. Our membership in the Deutsch-Russische Forum is particularly relevant, since it provides access to interesting decision-making circles on a political level (e.g. visa politics).'

Board member Jan Krückemeyer illustrates the advantages of membership from his point of view as CEO of a medium-sized enterprise: 'In cooperation with GIZ, we often act as a host company for Russian programme participants in Germany. This increases our profile and offers additional opportunities for growth and increased turnover. This kind of contact also creates interesting exchanges that benefit both parties.'

DRMN activities and projects

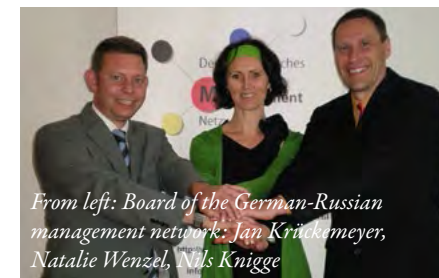
Successful past projects include the Great Baikal Trail, a hiking trail around Baikal

Lake, and the Peace Tour, a bike ride from the Ural to Brittany. In 2011 the Peace Tour drew attention to the work of Peace Village International, a humanitarian organisation in Oberhausen that helps children. The DRMN organised overnight accommodations, and encounters and press conferences for German riders on the Russian leg of the tour. During this process association members repeatedly experienced the real power of the German-Russian alumni community. The initiators of the Peace Tour demonstrated a way to integrate work, hobbies and humanitarian activities. They returned after 37 days and 6,500 kilometres with a total of EUR 100,000 in donations.'

The annual association meeting took place on 26 October in Hahn near Frankfurt with an interesting programme that included a visit to the airport and, of course,



Members of the German-Russian management network (Deutsch-Russisches Management-Netzwerk e.V.)



From left: Board of the German-Russian management network: Jan Krückemeyer, Nathalie Wenzel, Nils Knigge

exchange among association members and with alumni from other countries. The DRMN is as strong and diverse as its members, who are always open to dialogue and look forward to future activities together. ■



Nathalie Wenzel is the Managing Director of REC Russland Experten Consulting GmbH in Ulm and a member of the executive committee of the German-Russian management network DRMN. She participated in the programme 'Fit for Business with Russia' in Samara and Yekaterinburg in 2009.

DRMN in brief:

91 members (last updated July 2013), of whom 71 per cent currently actively do business in Russia.

Regional groups in Germany

- Berlin
- Frankfurt / Rhein-Main
- Halle / Leipzig / Dresden
- Magdeburg / Braunschweig
- Munich / Bavaria
- Rhein-Ruhr / Nordrhein-Westfalen
- Stuttgart / Baden-Württemberg
- Hamburg / Norddeutschland
- St. Petersburg

Contact:

Deutsch-Russisches Management-Netzwerk, DRMN e.V., Am Stahlwerk 1, 01705 Freital www.drmn.org

Goals

Superregional network of German graduates of the 'Fit for Business with Russia' programme

Interface for the roughly 70,000 alumni of the Russian Presidential Programme Exchange platform for business with Russia

Contribution to international understanding with the focus on relationships between German and Russian managers

Exchange with GIZ, BMWi, the FRZ (federal resource centre) in Moscow and the resource centres in the Russian regions.

The Eleventh 'Baikal Forum for Managers'



Over 80 participants came to Buryatia at the end of July for the 11th Baikal Forum. At the forum, they discussed improving the investment climate and they visited the Baikal Special Economic Zone.



Forum participants in Ulan-Ude

Ulan-Ude. A favourable investment climate in the region, and effective collaboration between entrepreneurs and administrative bodies – these were the common objectives of those who participated in the 11th Baikal Forum. They presented various investment projects during the event. Cooperation ought to be promoted through more active participation in investment programmes among MP graduates as well as through exchanges of views. Among the invited guests were representatives of associations from Krasnoyarsk, Novosibirsk and Chita, as well as representatives of the Ministries of Economy, Social Protection, Agriculture and Food, the Fund for Regional Development and participants from other Buryat organisations. The GIZ representative informed them about the German contribution to the Presidential Programme and about the development opportunities of economic cooperation.



This follow-up work is now in its eleventh year. In 2003, GIZ (then, the Carl Duisberg Society) conducted a seminar with the alumni in Ulan-Ude, which addressed the subject of 'Environmental Management'. It provided the impetus for the first Baikal Forum. The Association of Buryatia's Managers, the local regional alumni association, turned the

forum into an annual tradition. Since then, graduates from Siberia have eagerly awaited the well-attended event every year.

They were not disappointed: the schedule also included a visit to the 'Baikalskaja Gavan' (Baikal Port) Special Economic Zone. The forum's participants got to know national specialities, tried Buryat national dishes and visited the 'Pearl of Russia' – Lake Baikal. There was also enough time to allow for discussions among the graduates. These will have a positive effect on cooperation between the regional alumni associations. ■

Alumni Visit a German Company in Chennai



'How can German expectations be successfully reconciled with Indian reality?' Alumni of the Manager Training Programme (MP) asked this question on the occasion of a visit to the company R. Stahl in the Indian city of Chennai.



Company visit in Chennai

Chennai. The products of R. Stahl prevent explosions wherever inflammable gases, vapours, spray or dusts occur. The hidden champion (see article on page 42) has already had a production site in South Indian Chennai since 1988. In 2013, a second plant was opened, which the MP alumni visited on 19 July. R. STAHL (P) Limited H.O. & Factory in India is a wholly owned subsidiary of the German company R. Stahl AG. With the new plant, the company is able to react quicker and more flexibly to country and customer-specific requirements in the region.

'We do not compromise on safety – we cannot take any short cuts in this respect,' stressed the plant manager, Ramakrishnan B. 'Quality standards are a must where products for explosion prevention are concerned'. The fact that the products are more expensive as a result needs to

be explained to the customer, and customer education is therefore an important part of R. Stahl's strategy. A quality management system from the German parent company was introduced in order to meet the standards required; sub-suppliers also have to meet strict standards. Quality inspectors mark every product with a traceable stamp. In addition, about 6 per cent of the turnover is reinvested in research and development in the company's own laboratory. The result to date: about 70 patents and 3000 certificates for explosion protection products.

The requirements of the parent company, particularly with regard to quality and durability, were implemented in the Indian plant through consistent personnel management. Here thorough vocational training and continuous further training measures play an important role. Employees from Germany also impart

their experience in their specialist fields for a few months in India. Importance is placed on corporate culture in order to retain the well qualified and skilled employees. 'Clear and open communication about principles, regulations and standards, but also about what is expected of employees and their prospects is crucial,' said Mohanvel J., head of the personnel department. This increases employees' satisfaction with the company. With the aid of a performance management system, employees receive feedback on their performance and their improvement potential. 'When making decisions today, we always consider how they will affect us in 20 years', explained Rajagopal Sastry, financial director of the Indian subsidiary. 'For example, we introduced a 6-day working week with two shifts per day right from the start because this corresponds to the future production.'

Company founder Rafael Stahl started his business activities in 1876 with the establishment of a mechanical workshop. Whereas the company then mainly produced for the textile industry and later on manufactured lifts, today R. Stahl manufactures explosion-protected switching and sensing devices, lights

Performance management system

'Performance management' is the term used for the management of an organisation that is concerned with controlling performance delivery. The time needed for the delivery of performance and the entailed tying up of resources are measured and controlled. Ultimately, the work carried out (performance multiplied by time) should be evaluated. The objective is systematic, multidimensional performance measurement and control as well as the monitoring of various application subjects or performance levels (employees, teams, departments, processes) with the aim of continuously improving individual and corporate performance). Learning effects and employee motivation are built up with the aid of performance management. Particularly future-oriented, non-financial factors are integrated to enable a holistic approach to the planning and control of the actual performance and performance capability of the company.

Source: Wikipedia



Insights into production at R. Stahl

and control devices. There is particular demand for the products in the gas and petroleum industry as well as the chemical and pharmaceutical industry, but also in the food industry and in shipbuilding.

The headquarters are in Waldenburg in Baden-Württemberg. 24 subsidiaries and about 60 agencies guarantee sales and customer services on the spot all over the world. With a market share of 14 per

cent by turnover, the technology leader is the number two worldwide in electrical explosion protection and the only supplier of complex system solutions.

The MP alumni were invited by R. Stahl to a tour of the company's facilities within the scope of the follow-up event and a get-together of all Indian alumni, which took place in Chennai from 17 to 20 July 2013. At the meeting, they exchanged news with other alumni who had visited three further local German companies. They also discussed their experiences regarding Indo-German cooperation with Dr S. Gupta from the Indian Ministry of Commerce and Industry, S. Raj from the Chamber of Commerce Abroad in Chennai/Indo-German Chamber of Commerce and Jamly John from the German Engineering Federation VDMA. ■

With Expert Knowledge from Germany: Fit for the European Market



At the end of 2009, Huang Zhenhong participated in the Manager Training Programme (MP) at the German Management Academy of Lower Saxony (DMAN) in Celle in Northern Germany. There he became familiar with optimisation approaches, which he was able to introduce into his company with the help of a German expert.



A cooperation based on trust: Johannes Schneider and Huang Zhenhong

Companies that want to survive on the constantly changing world market need sound concepts and strategies. In view of these challenges, the owners of the Southern Chinese family business Guangdong BioMax Si&F New Materials Co. Ltd, which was founded in 1993, decided to familiarise themselves with Western company cultures and strategies. BioMax produces and markets silicone products. Quality management and marketing concepts were to bring new drive. A case for Senior Expert Service (SES) and specific objectives for the SES expert Johannes Schneider, a retired experienced industry marketing manager. Huang had become acquainted with SES during his stay in Germany. ►

► Schneider concentrated on the introduction of a reliable company culture on the basis of Total Quality Management (TQM) which encompasses all areas of the company such as production, quality control, marketing and administration. TQM was intended to lead to measurable improvements and to increase the level of satisfaction among the 120 employees and the customers. The first step was mainly to impart the principles and discuss them. An approach that was also used to draw up the Vision & Mission Statement (VMS) with the company owners and executives. The aim was to determine the purpose of the company as well as its future, principles and values and then to align the activities of all employees accordingly. As this was new territory for everyone involved, the most important goal-oriented activities in the first phase were discussions, person-to-person interviews, the joint preparation of a work plan, and the nomination of the project leader and the team leader.

The fact that Johannes Schneider has been on seven assignments to BioMax so far shows how much his support is appreciated there. The primary objective besides marketing concepts and structural matters was the implementation and incorporation of the new company culture. Bringing forward the VMS, the new core of the company and the corporate communication culture, and translating it

The Senior Expert Service (SES) – the Foundation of German Industry for International Cooperation (Stiftung der deutschen Wirtschaft für internationale Zusammenarbeit) – is the leading German organisation sending voluntary retired specialists and executives on assignments. The non-profit organisation is headquartered in Bonn and has been helping others to help themselves since 1983; so far it has carried out more than 30,000 assignments in 160 countries – most of them in less developed countries, emerging economies and countries in transition. In Germany, SES is particularly committed to helping young people at school and during vocational training.

Currently, about 11,000 experts are registered with SES – retired specialists who pass on their knowledge and experience all over the world. The SES mission statement is: The future needs experience!

Are you interested in SES? Would you like to benefit from the valuable experience of German voluntary senior experts? We look forward to receiving your enquiries:

Susan Hübner, Leiterin Abteilung Ausland (Head of the Foreign Department)
Buschstrasse 2, 53113 Bonn
+49 (0) 228 26090-55
s.huebner@ses-bonn.de
www.ses-bonn.de

into Chinese was a very helpful step – albeit not an easy task: a first literal translation proved to be a failure. It was only in discussions with employees, particularly those from the production area, that the right figures of speech were found.

The analyses of core processes, the clarification of authority and the tailored development of improvements were also very important. Just how committed the personnel was in this transformation process, which took several years, became particularly clear when they staged a play to make the theoretical concepts ‘internal customer/supplier’ and ‘process responsibility’ comprehensible.

The Chinese company has already been able to complete several stages with the help of the SES expert. The achievements are permanently improved and new steps worked out in training and consolidation programmes. The employees accept more responsibility, identify with the company and are thus more motivated at work. Johannes Schneider is optimistic: ‘The progress made with acceptance of the new company culture is visible.’ Awards for product development and marketing confirm that – and the corporate goal ‘Market entry in Europe’ is coming into reach. ‘The result of almost two years of wonderful work: with a team of highly motivated, cheerful young people, with determined, open management, a new orientation and a new image, new products, new market understanding, a quality-driven, forward-looking company – and a successful one.’

As Vice President of the family company, Huang will make sure that TQM is also maintained at Biomax in future. Schneider passed on his experiences from the Sino-German cooperation to MP alumni in October 2012. In the workshop ‘Maintaining Business Relationships’ at the alumni conference in Wuhan (see article in Journal 1-2013), he described the difficulties and challenges from the practice and provided ideas and tips for solutions. ■



Susan Hübner has been working at SES since 1996, where she worked for a long time as project leader in the department for Eastern Europe. Since 2010, she has been in charge of the foreign department.



Johannes Schneider and Huang Zhenhong at the 2012 MP alumni conference in Wuhan

The Follow-Up Contact Work is Speeding Up in Moldova



In Chisinau, work was in full swing. With a big event in sight, the alumni associations from Moldova and Belarus met with experts from the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to gain systemised knowledge on event management. The experts offered clear and field-tested recommendations for preparing and carrying out events.



MP alumni during a training seminar

Chisinau. ‘Ideas, contacts, partnerships’ – with this title, the first trans-regional forum within the scope of the follow-up contact work of GIZ attracted guests from Belarus, Moldova and Ukraine to Chisinau on 4 and 5 October 2013. Alumni of the Manager Training Programme of the German Federal Ministry of Economics and Technology (BMWi) discussed the results of the training and the prospects of development for their own companies. But how do you prepare such an event efficiently? The organisers – the alumni association „INVENT

Moldova’, the Training Centre of the Chamber of Commerce and Industry of the Republic of Moldova, and the Belarusian Alumni Association of Business Corporation – received answers to this question at GIZ.

An event that is well planned and carried out at a high standard, whether as a forum, conference or festival, can boost the image of its organisers considerably and sometimes also be of benefit to business. Thus, ‘INVENT Moldova’ invited two GIZ experts to each of two training and



GIZ experts: Elena Bej and Anna Sutschkova

consultancy seminars on the subject of ‘Efficient Event Management’ in Moldova. The objective of the seminars was to equip the participants with up-to-date methods and instruments needed for the successful preparation of fruitful events. In the practical part of the training, the GIZ experts wanted to draw up the documents required for preparing their first GIZ alumni forum in Moldova together with the participants.

Methods and practice hand in hand

The teaching of methods was efficiently combined with practical tasks. After a general introduction to the goals and tasks involved in event management, the next step was the planning of events. The participants made themselves familiar with event concepts and interactive event programmes. After the basics of the financial management of events, the alumni learned how to actually draw up a budget, a finance plan and a timetable. Following basics on the promotion of events, they identified suitable promotion channels and learned how to gain promotion partners, as well as what a media schedule looks like. The trainers introduced the website and social networks as instruments for preparing and carrying out an event. The participants acquired efficient methods for securing sponsor funds and learned how to work with sponsors and partners. Finally, they learned how voluntary helpers can be involved in the organisation of forums and conferences.

The results speak for themselves. In only four days of joint work, a large part of the preparation for the alumni forum in October had been completed. And what is more important: the members of ‘INVENT Moldova’ now have profound knowledge on event management and are able to organise important events on their own. Should any questions still be unanswered: the GIZ experts are also available online with help and advice. Whether it is a matter of fine-tuning the event programme, creating the website, placing adverts in the press or gaining speakers – the alumni can approach the specialists on all important subjects. ■

Detailed information is available at www.invent.md

Trademarks From Central Asia

Continuously cultivating contacts, developing a network and long-term partnerships – these things are important to many participants after their advanced training in Germany. In Uzbekistan and Kyrgyzstan, this led to the foundation of alumni associations that also benefit a wider circle of entrepreneurs. An overview.



MP alumni from Uzbekistan

What advantages arise from joining an association? What are the benefits? What are we offering the country of Uzbekistan and our international business partners? Graduates of the Manager Training Programme (MP) in Uzbekistan addressed these questions during the follow-up activities and, in doing so, focused on the experience of similar alumni organisations in Russia, where the programme has already been conducted successfully for many years. On 30 March, the 'Uzbekistan Managers Association' (UMA) registered officially after beginning its activities and preparations six months earlier. The association now has 86 members, 20 of whom carry out active association work. Part of this work includes monthly events: in February 2012, a meeting with Commerzbank to discuss cooperation with German companies and, last June, a two-day training course on 'Successful Communication With Foreign Partners'. In addition, there are also regular workshops with representatives of GIZ and the Goethe Institute in Tashkent.

Portfolio and Services

Uzbekistan

Uzbekistan Managers Association UMA

- Free participation for members in conferences, round-table discussions, workshops
- Reduced membership rate at the Uzbekistan Chamber of Commerce and Industry
- Reduced participation fees at trade fairs and other activities
- Continuous improvement of qualifications in the form of free or reduced-cost staff training courses in seminars
- Support in relation to cooperation with authorities
- Access to information and marketing databases as well as partner organisations' databases
- Partnership on cooperation with customers.
- Communications and PR activities

Contact:

1. Proyezd, Nukusskaya 12
Tashkent
E-mail: info@uma.uz or
uzbekistan-managers-association@mail.ru
www.uma.uz

Kyrgyzstan

Association of Participants of the Manager Training Programme in Germany

- Organisation of themed conferences and round-table discussions
- Identifying and preparing programmes for training visits abroad for Kyrgyz executives of the upper and middle management levels and for training visits in Kyrgyzstan for representatives of European firms
- Identifying possible business partners for the organisation of joint ventures
- Consulting services on various different subject areas
- Organisation and implementation of training and instruction programmes

Contact:

Toktogul St. 96-3
Bishkek
Baktybek Shamkeyev: +996 554 147751
and Nargiza Ajibayeva: +996 554 147751
E-mail: shamkeyev@elcat.kg
www.inwent.aknet.kg



MP alumni from Kyrgyzstan

New Encounters and a Practical Exchange of Views as Motivating Factors

Membership of the UMA is of benefit to both parties. The members open themselves up to new contacts and opportunities to initiate business relations in Uzbekistan and abroad. At the same time, the UMA is training a new generation of managers by involving students from Plekhanov University in their work in the capacity of interns. In this way, they don't just gather practical experience but they also have the opportunity to get to know representatives of Uzbekistan's economic elite. The chairman Bakhodir Khashimov, CEO Gulnora Majidova, Faslitdina Mukhitdinova (Manager in Namangan) and Askara Kadyrova (Manager in Fergana) have set themselves the goal of pro-

moting Uzbekistan's economic development. They believe that new encounters, practical exchanges of views and training courses are the best motivation.

Consulting, Training Courses, Knowledge Transfer as Trademarks in Kyrgyzstan

A trademark with an unmistakable image in order to provide Kyrgyzstan with motivated managers over the course of the next five years: the goal of the 'Association of Participants of the Manager Training Programme in Germany', founded in November 2009, is clear-cut. The association wants to achieve this through consulting, expert advice and training courses, and wants to bring together graduates from all sectors of the economy. In addition to this, it also aims

to exchange information and experiences with similar associations in Central Asia and the CIS. 22 members are registered officially; however almost 40 people are involved in the association's work in total. Alongside regular conferences, the association's members plan information and PR campaigns and workshops on the programmes and training visits in Germany so that they have already had a significant impact in the five years since the association came into existence. Constant contact and exchanges of views with other organisations, participation in MP graduates' regional conferences and GIZ's follow-up activities are just a few examples. Members of the association have already taken part, on several occasions, in the selection of candidates for future training programmes in Germany. Together with the Academy of Management under the President of the Kyrgyz Republic, the association has already conducted training courses for future MP participants. The development and ongoing maintenance of the association's database is also an important factor, which has already led to the procurement of specialist advisors and shows that the association can already count competence and knowledge transfer among its trademarks. ■

The Tenth Chinese Group's Alumni Activities

A Blueprint for Successful Exchange



As anyone with experience in Sino-German relations is well aware, only the regular exchange of thoughts and ideas drives cooperation forward and deepens mutual understanding. 'Zhong de Hui', the alumni association of the Manager Training Programme (MP) for Chinese executives from the middle and upper management levels, promotes such exchange. In November 2012, the tenth Chinese group came to Cologne for training and has met twice since returning to China. Fifteen cooperation projects have been reached since their visit to Germany. The following examples illustrate the amazing potential inherent in the MP.

Shanghai. Hollox Health Consultants Ltd, Chen Dongniu's firm, specialises in medical consultation and health management. Chen had already participated in some of the activities offered by the alumni association before his visit to Germany, and had built cooperation in the health sector with the CEO of the UGB consulting firm, Ms von Hoff. The goal of the project: to introduce qualified geriatric nurses from China to the German market. They also agreed to work together to recruit Chinese nurses. Chen has since found a Chinese partner in the Taishan Vocational College of Nursing, which has adopted the project as part of



Alumni of the tenth Chinese MP group in Shanghai

its training programme. And he has been looking for German training opportunities in Beijing to prepare applicants for the project requirements. The first nurses from China are expected to arrive in Germany in 2014.

Exchanging experience in Jinshan: working together on solutions

At the end of March 2013, around half the group met in Shanghai for the first time since returning to China. Host ZuoXiaoshun worked with Lin Shuli, XinJian and Wu Mei to prepare for the event. While training in Germany, participants had agreed to stay in contact and organise occasional exchange activities. The programme schedule for the first day was quite tight, with a morning meeting about current operational

problems and two presentations on basic principles planned for the afternoon. Since participants continued their lively discussion of issues from the morning's meeting, the second item on the agenda had to be postponed.

Wu Mei opened the round. As a representative of the second generation of entrepreneurship, she reported on the difference in perspectives on business matters between the company founders and the second generation – as is often the case in Chinese family-run businesses. Experienced businessman Yan Hongzhi, who was already extremely active in the group discussions in Cologne, opened Wu's eyes to her father's arguments: it is very important for every company to also maintain the existing customer base. Wu is from Jiangsu province and produces writing instruments in Changshu. She was unhappy that she was only able to sell her products to German customers through a sales agent in Singapore. While training in Germany, she asked trainer Michael Rosemeyer for advice. He explained to her the value accorded manufacturing technology and engineering in Germany. Together they came up with a solution: Wu has registered her own firm in Germany and expanded her business to Europe. ZhengXunling also talked about problems restructuring his company. In less than 20 minutes other alumni were able to help him with problem analyses and suggested solutions. Participants

were very impressed by the exceptional level of trust and sincerity among alumni. Later Yan Hongzhi presented his as yet unpublicised strategic development plan for his potato business. He spoke quite openly about problems he might encounter. In 1998 Yan gave up his civil service job to found his own company, the Linkage Potato Technology Co Ltd, in the autonomous region of Inner Mongolia. In the fifteen years that followed, Linkage has developed into a firm that currently has five modern operations for the cultivation, sales and processing of potatoes. One of the most useful aspects of the MP for Yan was the visits to different potential partners and suppliers in Germany and the EU. Years before he had imported a high-tech conveyor belt for use in potato processing from Germany. During the Manager Training Programme in Cologne, he signed a purchasing agreement for production facilities worth over EUR 2 million. Yan is convinced the modest potato has what it takes to become the food that makes the world healthy and satisfies its hunger.

Alumni agree to cooperation with the Jinshan Industrial Park

On the next day participants talked to managers from one Shanghai industrial park. Wang Mingfa, who helps manage the Jinshan Industrial Park, reported that although the park took a while to get off the ground, it has made great strides and developed rapidly. After lengthy discussion Yan Hongzhi succeeded in initiating a collaboration to build a potato processing centre in the industrial park. Additionally ZuoXiaoshun and XinJian agreed with local authorities to establish ahead office for campus projects. The goal is to offer industrial companies in Jinshan services, such as tax breaks and refunds, from a single source.

The alumni meeting was the site of pragmatic exchanges of ideas and a deepening of the friendships in the tenth group. It surpassed every participant's expectations. Other MP alumni could also benefit from learning from this example and taking this method of regular meetings as a blueprint for their own exchange activities. ■

The authors: Chen Dongniu, Lin Shuli and Zuo Xiaoshun visited Germany in 2012 as members of the 10th group of Chinese executives participating in the Manager Training Programme.



Yan Hongzhi



Natalja Zolotaja

Tuning in Belarus



Inspired by management training in Germany, MP graduate Natalia Zolotaya is conducting an efficient restructuring of her department and is developing long-term contacts with German car accessory manufacturers and suppliers.

Minsk. Seven years have passed since her training in Germany. Now, Natalia Zolotaya is the Manager of the Department for Purchasing and Foreign Trade at the biggest official Volkswagen dealer in Belarus, the Atlant-M car dealership, an Atlant-M Holding company. She is 'proud of her longstanding cooperation with many German suppliers and of her cordial business relations'.

However her one-month stay in Germany in late autumn of 2006 didn't just provide the then leading Manager at the Department of Accessories, Tuning and Spare Parts with new contacts. During her training at the Bildungszentrum am Müggelsee (BZM), Zolotaya acquired valuable management methods and practical knowledge. After returning to her company at home, she began working intensively on implementing

these new ideas, firstly at the level of the company's structure. She subdivided her department into specialised sectors. Someone was placed in charge of each sector, which improved working efficiency and quality control. Zolotaya herself was promoted, becoming the Manager of the new Department for Purchasing and Foreign Trade.

Although Atlant-M had already worked with German partners in the past, thanks to her traineeship, contacts were made with three German suppliers: the car accessory marketing distributor Cobra Technology & Lifestyle, Antec Fahrzeugtechnik GmbH, a leading provider of accessories for off-road vehicles and Lumma Tuning, a company which specialised in the development, manufacturing and distribution of exclusive car parts. By extending its product range, and with

its new spare parts and accessories depot, which fulfils international standards, the company managed to increase its number of employees and achieved an increase in turnover of 250%. The products were also certified, an achievement in which Zolotaya played an active role.

However, Atlant-M did not want to rest on its laurels. New additions to the product range called for contacts with new trading partners. This is how Heyner Mobil Automotive GmbH was brought on board to market and distribute children's car seats. It also has steady business relations with Rial GmbH and Interneu Handelsgesellschaft GmbH, the German manufacturers of metal rims. There are plans to open a second store in Minsk.

Since her training in Germany, Zolotaya has been a reliable point of contact and intermediary between her Belarusian colleagues and the German suppliers. The successful manager acts as a disseminator by sharing the management knowledge she acquired when in Germany with other colleagues: 'It's very important that everyone does their job professionally'. Inspired by her successful training experience, several other Atlant-M employees have completed the Manager Training Programme of the Federal Ministry of Economics and Technology. 'I wish all future candidates every success,' says a delighted Zolotaya. ■

'I Want to Take the Business Forward'



25 Egyptian executives from the middle and upper management levels participated in a one-month Training Programme in Cologne and Berlin in early 2013 organised by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, the Industrial Training Council (ITC) and the Carl Duisberg Centres (CDC). In an interview, Programme participant Ranja Oraby describes her experiences in Germany.

Ranja Oraby



What were your expectations for your stay in Germany?

We, i.e. the other participants and I, had already had contact with Germans through our work. At the same time, my head was filled with questions; for example: what lay behind the cool smile? Was it really meant to be so cool or was that just my interpretation? Did Germans always have such a resolute manner? And what is the secret of this country's success? Especially against the background of our Arabian culture with its customs and traditions, these were interesting questions with which I set off for Germany.

What answers have you found to your questions?

I was quite astonished; the people in Germany turned out to be very friendly and hospitable. Naturally, not the same as in Egypt, but in their own way – perhaps Germans are just not as easily approachable as Egyptians. The Programme offered a good

opportunity to gain deeper insight into the German profile and German culture. We were surprised at the successes, innovation and progressiveness. That is why I definitely wanted to participate in the Programme.

What were your experiences with the Programme?

First of all, the coaches from the Carl Duisberg Centres were very helpful and wonderful to work with. Then, the information and learning materials had been selected carefully, so that my colleagues and I were able to improve several of our management skills. Great importance was generally placed on the acquisition of intercultural values and competencies, which would make dealing with the German culture and German business world easier for us. I had the opportunity to meet Germans at some business meetings and also benefited from that. I was proud to work professionally, leave a good impression and achieve results, which previously would have been out of my reach and which amazed my colleagues and superiors.

Were you able to apply what you had learned when you arrived back in Egypt?

I returned with many ideas and theories, but also with pleasant memories. It was very surprising to see how well some of my ideas were accepted, considering how difficult the implementation is, particularly in view of the differences in the general framework of economic policy. But with

determination, perseverance and a strategic plan, conditions and circumstances can be changed step by step.

What exactly did you do during training?

I really benefited a lot from the visits to companies from different sectors. They seem to have found the secret ingredients of success and to be able to maintain this success by creating favourable conditions. They utilise the strengths and motivation of their employees and their resources. The most important aspects are clear rules in everyday work, good time management and giving employees a sense of belonging to the company. I was able to discover how family companies can be consistently successful over generations, irrespective of how small and humble they were at the start; Remondis Recycling is a good example. I also belong to a family-owned business, which was established by my grandfather and continued by my father, Magdy Oraby. I want to take the business forward.

With the support of the CDC team, especially of my lecturer Jörg Kalmbach, I was able to establish business contacts with a number of companies. Altogether, I visited more than ten companies with which

I have signed cooperation agreements and which are considered throughout Germany and Europe to be leaders in their specialist fields. Our strategic aim is cooperation in the form of joint ventures. However, the current situation in Egypt makes it very difficult to take such a step.

What is your summary of your stay?

I was particularly fascinated by the beauty, character and architecture of the historical buildings in the many German cities that I saw and experienced within the scope of the Programme. It also impressed me that such importance is placed on the protection of historical monuments. Altogether, the training was very helpful, and I benefited a lot from it. The Programme provided answers to the questions that had been in my mind for a long time, enabling me to improve my personal and practical skills. But what is more important is the human aspect: I have gained friends and got to know cities I fell in love with. Cologne, for example!

Thank you for the interview! ■

Building to German Quality Standards in China



Dalian Kaiser Construction has already completed around 500 projects according to the motto of 'Build to Japanese quality standards with Chinese costs!' Construction projects for overseas companies wishing to invest in China and build facilities are meant here. Though Dalian Kaiser was already a successful company with headquarters in Dalian in the north-east of China and branch offices in a further five major Chinese cities as well as Osaka in Japan and Bangkok in Thailand, the management team was not satisfied: 80 per cent of the company's business was with Japan and it had very few business relations outside of Asia.

Dalian. At the time, Li Nan was manager of the construction department at Dalian Kaiser. To familiarise himself with the German approach to construction management and develop business within Europe, he participated in the Manager Training Programme (MP) in Germany in 2011. During his stay, Li visited CPM GmbH – experts for management, planning and consulting in the field of construction based in Sindelfingen in southern Germany with whom Dalian Kaiser had sought an opportunity to do business since 2009 and had arranged a cooperation for the construction of a production site for the German GROB Group in China shortly before Li travelled to Germany. At CPM, Li was very impressed by German project management, which differed from both the Chinese and Japanese approaches. A discussion at the site helped deepen the understanding and trust between Li and CPM. Li then visited the GROB-Werke parent company in Bavarian Mindelheim. He was able to learn a great many details there of GROB's future plans in China and their requirements of construction work. The visit led GROB to allocate a new contract worth over EUR 10 million to Dalian Kaiser in 2013.

In light of the excellent cooperation with Dalian Kaiser, CPM established a subsidiary in Dalian on New Year's Day in 2013. Thus, the city of Dalian became an important location for CPM's business



in China with partner, Dalian Kaiser. Both companies benefited from this.

Li's visit to Big Dutchman International GmbH had an immediate effect: a cooperation agreement was already signed by the Dutch company and Dalian Kaiser following the Manager Training Programme. This project to construct a modern poultry housing facility in the southern Chinese city of Zhanjiang has now been completed. The visit to Farmer Automatic GmbH in North Rhine-Westphalia was even more successful. Dalian Kaiser has since been commissioned by the world's leading German manufacturer of housing systems four times to construct facilities for broiler chickens. The turnover totalled EUR 10 million.

However, Li finds the new management methods that he learned during his visit as important as the conclusion of new

business. He has come into contact with new perspectives and ideas through the seminars and discussions conducted with other participants as well as the visits to German companies. It was particularly important to him to learn how mistakes and quality issues can be avoided through meticulous planning and organisation. After participating in the Manager Training Programme, Li was promoted to the position of Deputy General Manager and is now able to improve the structure of both the company and work processes. He strives to combine the different construction expertise of the Germans and Japanese as well as to use the relatively low Chinese construction costs to greatly enhance his company's competitive edge on the global market. Li is certain that Dalian Kaiser will be able to win over customers from Europe and America if it succeeds in building to German quality standards. ■

See With Your Own Eyes

In an interview, Malika Abduganiyeva, Logistics Manager at Inkom Consulting in Tashkent, tells us about her experience of the Manager Training Programme (MP) of the Federal Ministry of Economics and Technology. The Uzbek attended training at the Export-Akademie Baden-Württemberg in Tübingen from 10 June to 7 July.



GIZ: *What motivated you to participate in the MP?*

Malika Abduganiyeva: As I have been selling intelligent equipment for the oil and gas sectors for more than 10 years now, it was important to me to visit the factories that produce such devices. I wanted to see the production lines with my own eyes, to see what innovative technologies have been introduced to each of the factories, what work processes are handled by robots and what is still manually assembled. I also intended to make contacts with manufacturers of control gauges and automation technology for

work processes, to conduct negotiations and to coordinate issues concerning marketing and distribution for the Uzbek market. Another important goal for me was to become better qualified for my own professional and personal development.

When you think of your stay in Germany – what do you think of, what amazed or astounded you?

What I remember best is the visit to BASF in Ludwigshafen am Rhein, the biggest chemical company worldwide in the field of ethylene and propylene production. The visit to TRUMPF GmbH & Co. KG

in Ditzingen made just as big an impression on me, a company which focuses on various areas of manufacturing with its plate processing machines, hand tools, laser technology, electronics and medical equipment and technology. I found their mode of production and the transnational and innovative management of the company particularly impressive.

What does your firm do?

Inkom Consulting has been in the market for 10 years. Our focus is on the sale and distribution of imported control gauges and automation technology, parts for the

commercial detection of liquid hydrocarbons and gases, consumption meters, control fittings and control valves, analysers, control systems and dispatch systems. Our responsibilities also include servicing, maintaining, assembling and commissioning the facilities as well as modernising plants in the natural gas and petro-chemical industry and equipping plants from the natural gas sector with automation and control technology.

Which of the skills acquired during your stay in Germany do you now use in your work?

Thanks to the many practical examples covered during the seminars on intercultural management, innovation management and business collaborations with Germany, I am able to reflect more profoundly on the German understanding of true professionalism: the maxims of punctuality, diligence, planning, structured thinking, the short and precise presentation of an idea. As a result, I developed an appreciation for orderliness myself, which plays an important role in work processes nowadays. One week, one day, even one hour spent on good and exact planning is of the utmost importance for productive work processes.

With which firms did you manage to establish a business relationship?

With the companies Phoenix Contact GmbH & Co. KG, R. Stahl GmbH, Bartec, Hetronic Germany GmbH, Dosatron GmbH, Rosemount GmbH and Elster GmbH.

What cooperation projects arose from this?

At the moment, a distribution contract with R. Stahl GmbH is ready to be signed; they are leaders in automation technologies for buildings at risk of exploding. Negotiations and correspondence are ongoing with Phoenix Contact GmbH & Co. KG on the supply of devices. Within one year, intelligent devices by Rosemount GmbH became the subject of seven import agreements. German equipment from Phoenix Contact GmbH and Phaeson GmbH was supplied to modernise natural gas plants.

What has been successful and what difficulties do you have to overcome?

In business, you experience both great highs and great lows. An example of difficulties would be the lack of certification for a new intelligent device, which we want to bring to Uzbekistan in 2014, or the issuance of cargo documents (export documents) and getting suppliers to agree to a delay in payment. However, thanks to the skills I acquired in conducting negotiations with German companies during my training, we manage to deal successfully with any issues or difficulties that arise, e.g. by requesting necessary information by email. This is how we manage to achieve desired results.

What is the most important thing that every manager can draw from the programme?

The German approach to doing business and the ability that leads to extremely successful results; maximum use of the skills and knowledge acquired during training that are relevant to your own professional and sector-specific focus.

What professional goals do you set for yourself and your firm in the near future?

There are a huge number of projects that need to be implemented in the long term. I will manage two of them independently for the first time. I intend to use all my

professionalism and the experience I gathered during my stay in Germany in the implementation of these projects in order to achieve the best possible results. During the period of 2013 to 2014, Inkom Consulting is expected to receive a laboratory centre. This centre is also to be equipped with a test facility by the German firm Elster GmbH, among other things. To achieve this, negotiations are currently underway with the department responsible for CIS and Central Asian markets.

What achievements would you wish for our new programme participants and anyone who is just applying for the programme?

I hope they make as many contacts as possible; always plan and organise visits to relevant companies with whom you would like to establish business relations beforehand; prepare thoroughly for talks. ■

We are interested in your opinion!

Give us your feedback about this Journal at www.giz.de/gc21/mp/feedback.



New Teaching Methods for Russian Universities

After having held countless seminars and workshops in Eastern Europe and Russia, Hans-Jürgen Weißer switched perspectives and participated in the 'Fit for Business with Russia' programme in Siberia himself. He has cooperated with Russian universities in further development of the curricula and imparted new teaching methods ever since.



German executives in Siberia



Hans-Jürgen Weißer has worked in Eastern Europe with a focus on the post-Soviet region for over 20 years now. His company training+consulting+communication (TCC) conceives and delivers training units. Consulting for small and medium-sized enterprises in the fields of project management, training conception, e-learning and communication also count among the entrepreneur's fields of expertise.

Win new contacts and identify local needs

'Past customers also include the former Carl-Duisberg-Gesellschaft e.V. (subsequently InWEnt gGmbH and today the GIZ) on whose behalf I have conducted seminars, workshops and evaluations in countless countries,' Weißer reveals. In 2010, he was able to switch sides for once and participate in the 'Fit for Business with Russia' programme in Siberia him-

self – not only to expand his network but also to get a feel for the needs of potential local customers. The question of how the alumni associations and German-Russian Manager Training Programme networks that he has himself supported for years with workshop and seminars have developed was of particular interest to him.

Interest in innovative training concepts and an exchange of experience

His expectations of the programme in the field of training cooperations were thoroughly exceeded: the representatives from Russian universities expressed a great deal of interest in innovative training concepts and an exchange of experience with the training providers. In the years that followed, cooperations developed between TCC and a number of universities. Teaching staff at Novosibirsk State University, Novosibirsk State

Technical University and Tomsk State University now use a 'Blended Learning' system for the training of project managers provided by Weißer. They were able to learn how to use the system during 'Train the Trainer' workshops in Germany and at their home universities: traditional classroom-based events were combined with modern forms of digital learning in a worthwhile manner.

One further module entails eight to ten-day seminars for selected groups from the universities. They cover innovation management, technology transfer, project management and an introduction to professional distance learning. For the representatives from educational institutes, new and contemporary methods of imparting knowledge were opened up overall, which have a concrete effect on university procedures, curricula and the format of lectures. The model sets a clear precedent for cooperations with similar aims and focuses are still planned for this year.

Fewer risks and better market access following programme participation

'Besides the technical outcomes of the training, I also have great memories of the hospitality and excellent support from the responsible organisations and alumni associations in Siberia,' Weißer says. 'Every single participant in our group, who had not yet visited Russia or Siberia, raved about our hosts' attentiveness and the high quality of the programme.'



Hans-Jürgen Weißer

Weißer draws a clear conclusion: he would advise all interested parties, who have identified Russia as a potential market, to participate in the 'Fit for Business with Russia' programme. 'It enables access to an excellent network of experts, organisations and companies,' he explains. 'The Russian partner organisations' contacts range from high-quality companies to the uppermost levels of regional governments. After such a trip, the decision of whether to enter a market is not only easier but also associated with significantly fewer risks.' ■

Risk Management in an International Context

Why This Issue Is Becoming Increasingly Important for Companies

'The collapse of the US investment bank Lehmann Brothers can no longer be averted'. News stories such as this, which appeared towards the end of 2008, not only shocked people around the world but also underlined the importance of well-functioning risk management. However, understanding and controlling risks is not only increasingly important in the field of finance. Risk management should not just be seen as a monitoring tool; it should also be used in strategic decision-making as a preventive measure.

For example, what risks are associated with investing in Mongolia? Or what factors should be noted when entering the market in Mexico? Did the British drug manufacturer GlaxoSmithKline, which recently had to face cases of corruption in China, incorrectly assess the risks of the Chinese market? This article will outline to what extent risk management impacts managerial decisions, particularly in an international context. Participants in a Management Training Programme (MP) alumni meeting in Viet Nam in March 2013 discussed the issue and came to some interesting conclusions.

'Risks are everywhere'.

- Participant in the MP Alumni Seminar, Vietnam 2013 -

What Do We Mean By 'Risks'?

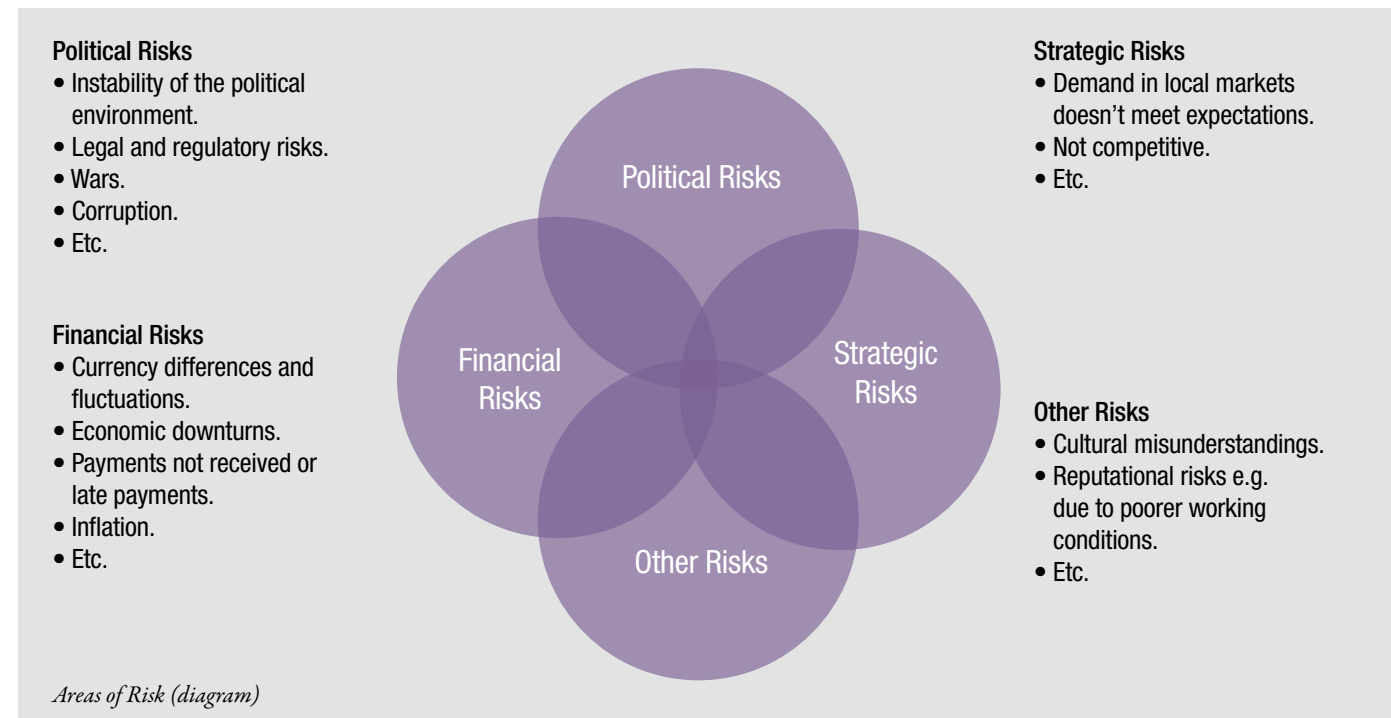
Firstly, we need to clarify what we actually mean by 'risks' in the context of business. From a company's point of view, risks basically include all events or possible events that could jeopardise the company's goodwill in the long term. This implies a very broad understanding of risks and possible areas of risk. Possible hazards range from political risks and financial risks to strategic risks. Therefore, a thorough risk analysis is essential in order to investigate which of these risks are important for a specific company and therefore must be monitored accordingly. So an IT company basically regards itself as being exposed to different risks than

a chemical corporation or a food wholesaler. A small or medium-sized company, which primarily produces for the local market, encounters different risks than a multinational company with global locations, international supply chains and various interdependencies.

Risk Management: Definition

Risk management includes all corporate activities that serve to identify, assess and prioritise risks. The importance of risk management is based on the fact that entrepreneurship always entails risks and opportunities. It aims to minimise the occurrence of events that could damage the company and it should, at the same time, promote potential opportunities. Particularly in an international context, risk management is becoming a significant part of companies as well as becoming a factor for their success. Furthermore, thanks to legal provisions, such as the Control and Transparency in Business Act (KonTraG) (introduced from 1 May for all companies listed on the German Stock Exchange) or the Sarbanes-Oxley Act (SOX) (introduced in 2002 for all companies listed on the New York Stock Exchange) the systematic identification and assessment of risks have become legally binding for these companies.





Risk Management – What Does It Actually Mean?

The first step for every company should be to identify areas of risk that are relevant to it. Classification can be carried out according to various criteria. The following looks at four different areas.

At the meeting in Viet Nam, alumni studied an example, a fictitious company from Germany that produces and distributes high-quality household appliances. They worked on the assumption that the products were already on sale in almost all European countries as well as Brazil, the US, China and Japan. The company now plans to open a production facility in Viet Nam. The risks summarised below could be identified as examples as part of a preliminary step. While the findings in this seminar were compiled specifically for Viet Nam, you could equally prepare a similar analysis for the other MP partner countries.

Political Risks

According to Transparency International's Corruption Perceptions Index, Viet Nam is ranked 123 of the 178 countries tested. In addition to this, its regulatory and legal conditions are characterised by extremely high volatility.

Economic Risks

Trade with US dollars is subject to regulatory restrictions. In the past, the local currency (VND) was exposed to marked devaluations relative to the US

dollar and only stabilised in the recent past. A thorough prognosis of future development should be undertaken. To a certain extent, there are also strict regulations for foreign investors (e.g. in relation to investment licences or the recruitment of foreign workers).

Strategic Risks

Here, there should be a detailed examination of whether expectations regarding local market potential are realistic. This applies to wage levels, the quality of the workforce or the relevant labour law among other things. In this regard, proper planning is important.

Other Risks

For international companies, these primarily include reputational risks (e.g. due to poorer working conditions in local factories) or problems that arise from a different understanding of business or cultural differences (e.g. an advance payment is often expected for orders in Viet Nam).

The second step should be to assess the risks identified and to calculate how likely they are to occur. Depending on the complexity of the case itself, either complex, mathematical models and simulations (e.g. for financial risks) or simple trend models can be suited to the task. On this basis, the overall risk of a company or a project should be calculated so that appropriate strategies and early warning systems can be drafted during the final step. In so doing, it is particularly

important to clearly determine responsibilities and levels of escalation. Not least due to legal requirements such as e.g. the KonTraG, the issue of risk management has increasingly been looked upon as a top priority in recent years. In certain companies, a 'Chief Risk Manager' has been appointed who reports directly to the board of directors.

'You should be aware of risks but also not miss out on opportunities.'

- Participant in the MP Alumni Seminar, Viet Nam 2013 -

Risk Management Without Borders – Why Is It Important?

There's no doubt that increasing globalisation in recent years has led to greater interconnectedness, internationalisation and cross-border interdependence among companies. In this vein, companies have long been responsible not just for their activities in their home country but they also need to adhere to various different legal systems, norms and standards. The globalisation trend therefore holds great opportunities on one hand (e.g. utilisation of cost benefits), but also substantial risks.

For example, large international companies have had to explain how tragic accidents could occur in the factories of their local suppliers in Bangladesh and



Pakistan. Apple, too, have had to grapple with the working conditions of their Chinese suppliers during a huge wave of strikes. Thus, international companies' responsibility for their complete supply chain holds significant risks, particularly with regards to their reputation.

Furthermore, having a presence on international markets means you must submit to the relevant legal regulations of other countries. SOX, which was introduced to the US in 2002, provided for more stringent requirements regarding risk management in companies. In cases of doubt, companies were even subjected to investigations by the US Securities and Exchange Commission SEC. The rule applied to all NYSE listed companies. Since the law came into effect, however, only five of what were originally 20 companies are still listed in the US. There is no doubt that, in recent years, risks have increased in international business relations. However, opportunities have also arisen which would have been inconceivable a few decades ago.

How Do You Control Risks Without Missing Out on Opportunities?

Would Henry Ford work to improve his idea with the same ambition nowadays, or would he meticulously weigh up the risks and opportunities and come to the

conclusion that his idea of an affordable car, although promising, was too precarious?

Perhaps. However, the goal shouldn't be to completely eliminate all risks. Rather, it's about consciously recognising all the relevant risks in order to be able to react adequately and punctually. Furthermore, a risk analysis should always also involve identifying and assessing the corresponding opportunities. Only weighing up the risks and opportunities

can ultimately lead to the decision on whether a project, investment or market entry is worthwhile.

The systematic approach to risks and opportunities should therefore become an increasingly integral part of a company. In this way, well-functioning risk management can actually become a competitive advantage in the long term, particularly in international business relations. ■



Jana Marlen Ackermann and her team at BDG Vietnam support European companies during their market access and while they are building up and expanding their business in Vietnam. She was previously occupied in the department for group auditing at Bayer AG in Germany, where she worked in the fields of risk management, compliance and process optimisation.

IMPRINT

Journal
'Fit for Partnership with Germany' Manager Training Programme of the German Federal Ministry of Economics and Technology (BMWi)

Issue 2/2013

Publisher:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Manager Training Programme of the BMWi
Reimut Düring, Head of the Manager Training Programme of the BMWi
Email: mp-pr@giz.de
Internet: www.giz.de/gc21/mp

Responsible parties:

Christina Otto, Daniel Strube

Editorial team:

Axel Wappler (responsible party),
Dr. Gerd Schimansky-Geier, Jan Löcher, Daniel Strube, Natalia Astrin

Layout:

Diamond media GmbH, Miria de Vogt

Photo credits:

Malika Abduganijeva, Irina Alexiadis, Natalia Astrin, Hanna Bätz, Gerhard Blank, BMWi, CDC Köln, DMAN Celle, DRMN e.V., Andrea Eles, EUROPANORAT Berlin, Verónica Fernandez Caruncho, Fotolia, GIZ, IHK München & Oberbayern, Invent.md, iStock, Harald Kahn, Kaiser Construction, Victor Katikov, Jan Löcher, Rania Oraby, Shutterstock, Katrin Trushevskyy, Tristan Vostry, René Walther, Axel Wappler.

Contributors:

Natalia Astrin, Hanna Bätz, Elena Bej, Martin Bensley, Zhaoyu Cui, Jan Dimog, Michael Emmrich, Nathan Diez, Karina Gabrielyan, Julia Haun, Isolde Heinz, Elena Iljinkova, Tobias Knubben, Alex Mamontov, Volkhard Michel, Christina Otto, Tatiana Pivovarova, Guido Reinsch, Omar Scharifi, Ronald Schulz, Katrin Trushevskyy, Axel Wappler

Translators (Russian version):

Natalia Astrin, Armen Hovannesjan, Natalja Safronova, Tomarenko Fachübersetzungen

Translators (English version):

Elizabeth Hassett, Norah Schmidt, Sarah Smithson-Compton, Tomarenko Fachübersetzungen

Publication frequency:

twice a year

Date of publication of the current issue:

December 2013

Editorial deadline for the next issue:

March 15, 2014

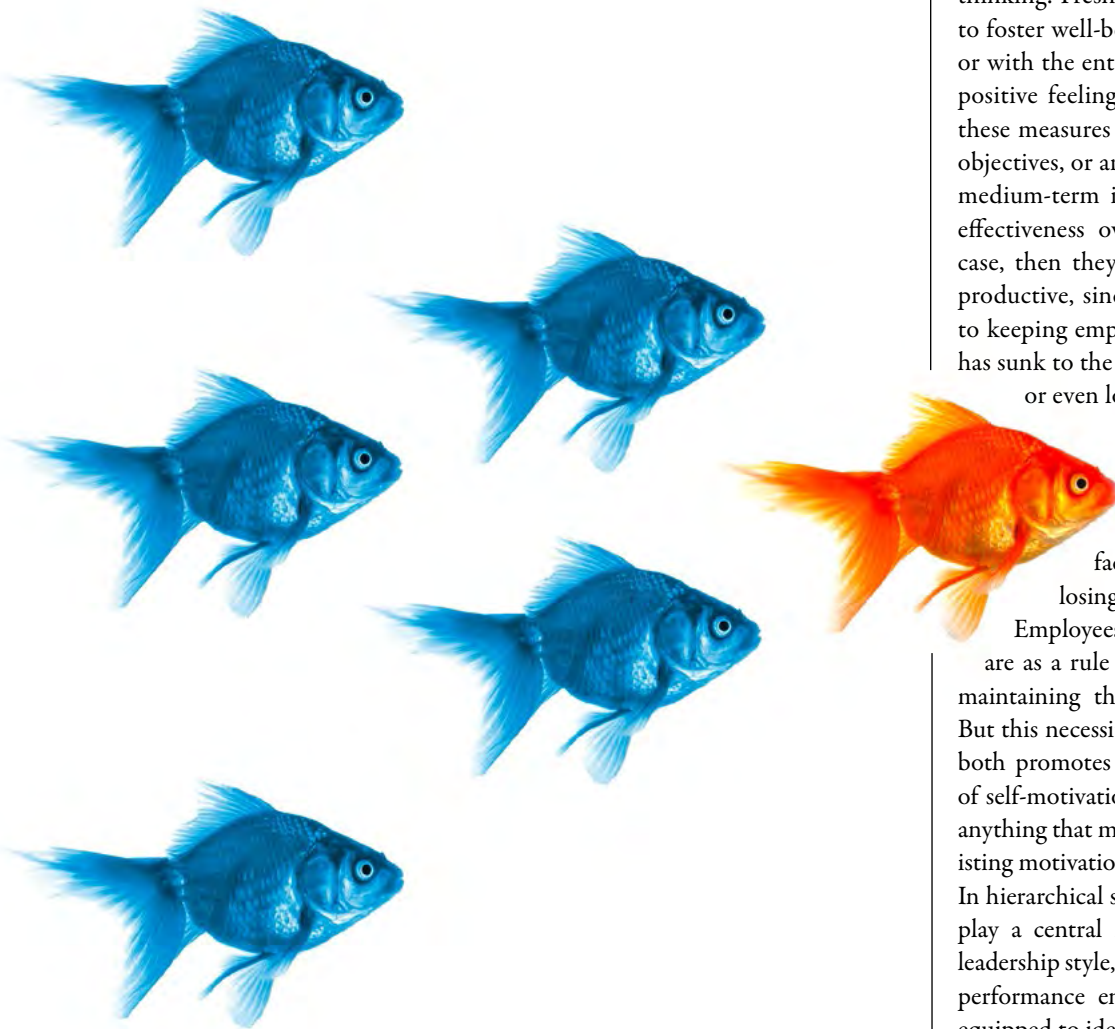
All rights reserved. Reprints – also of extracts – only with express permission in advance. While every care has been taken, no liability is assumed for the content. The cartographic presentations do not do not imply any recognition of international boundaries or regions.

Funded by the German Federal Ministry of Economics and Technology (BMWi).

ISSN 2195-8718

Motivating Employees in Daily Business

Etymologically speaking, the term 'motivation' can be defined as: 'the force or influence that causes one to act'. Neuroscience refers to the 'energy for purposeful behaviour', or the willingness to act. This energy is present in every human being and simply needs to be first activated, and then sustained.



Motivated employees top the wish lists of companies, and a lot is done to encourage motivation. As a rule there are three targeted areas companies associate with 'employee motivation':

- The benefits from the highest possible level of performance and personal potential of an employee in conjunction with their dedication to fulfilling their responsibilities

- The long-term preservation of the existing and internally acquired know-how and experience of an employee for the company
- Positive public relations and improving the image of the company, which is not just extremely important for customer acquisition, but also for attracting employees given the current shortage of skilled workers

These three points alone argue very convincingly in favour of promoting motivation. Accordingly, the range of measures used in companies is huge and varied. In keeping with the findings of occupational psychology, approaches cover a whole host of needs in their attempt to ensure employees are motivated and stay that way.

Structured career programmes offer the prospect of promotion. Incentive schemes and bonus payments reward performance, while open office spaces with communication zones are designed to promote exchange and communal thinking. Fresh fruit and massages serve to foster well-being, and events in teams or with the entire firm aim to increase a positive feeling of community. But can these measures truly achieve the desired objectives, or are they really just short to medium-term incentives that lose their effectiveness over time? If that is the case, then they could even be counter-productive, since they might contribute to keeping employees whose motivation has sunk to the level of a 'clock-puncher', or even lower, with the firm.

Performance is a key component of a person's feeling of self-worth, a fact illustrated by the blow losing a job is to our self-esteem.

Employees want to perform and are as a rule capable of activating and maintaining their potential themselves. But this necessitates an environment that both promotes and allows for a process of self-motivation and, conversely, avoids anything that might prevent or reduce existing motivation, i.e. cause demotivation. In hierarchical systems, direct supervisors play a central role here. Through their leadership style, they shape the immediate performance environment and are best equipped to identify a specific employee's individual motivating factors. As a rule, any manager can use the following methods to create an open environment that is motivating and activates potential:

Acknowledgement

Employees want to be seen; they need acknowledgement. Even a brief nod from a supervisor sends a signal, telling an employee: 'I see you, you belong'. But these small gestures of acknowledgement must be sincere. People have very keen senses

and an insincere manager quickly loses credibility.

Creating meaning through continual goal association

A variety of approaches can be used to establish, and re-establish, a relationship to shared goals. Employees need to be able to recognise the part they play in achieving these goals and the effect they would have if they did not carry out their responsibilities adequately or properly.

Challenges

Challenges do not overwhelm employees; they demand performance that takes on a new form, but is still within the limits of an employee's capacity. Here an employee first needs their supervisor's trust and support. This promotes the development of skills in a safe environment.

Appropriate sphere of influence

A clearly defined scope of work and leeway in making decisions commensurate with a person's responsibilities contribute to the personal sphere of influence that employees need to independently prove their worth.

Regular feedback

Working without feedback is like driving without a speedometer. Regular feedback regarding an employee's job performance provides orientation about what they should continue, improve or change in a given direction to optimally meet their responsibilities. An annual official job performance review is not nearly enough here.

Affirmation by recognising achievement

The prompt recognition of good performance is an important affirmation employees need to maintain their motivation. It is important to clearly communicate exactly what constituted the good performance, e.g. 'accuracy under tremendous time pressure' or 'meet-

ing deadlines despite late shipment'. Non-specific praise is virtually worthless since it does not communicate that a supervisor is interested in and has explored a situation in detail.

Use of knowledge and experience

Employees in a company generate specific knowledge and experience about customers, machines, products or processes every single day. This expands their performance potential, which is just wait-

meetings with no real time to talk or ask questions. As far as acknowledging performance goes, it is more likely that the 'if no one says anything, it must be right' rule applies. Instead of being introduced to new tasks in a targeted way, employees are increasingly asked to jump in at the deep end and often feel they are in over their heads. At the same time leeway in decision-making is being counterproductively limited, through central EDP parameters, for example. Team meetings are used more to pass on pure information about current functional and operational requirements and less to optimise targeted cooperation or shared thinking. And when employees reach retirement age or enter into early retirement, companies often lose decades of experience and expertise that have not been preserved in any form.

These are just a few examples of the daily processes of demotivation that take

place in companies. Most seem unaware of the connection, since the contradiction with the oft-expressed desire for motivated employees could not be more obvious. Against this backdrop, though, the effect that the introduction of measures to improve employee motivation could have is clear. But these measures alone cannot initiate what is being hindered elsewhere. The key to motivated employees is really more about promoting a management style that makes employees feel appreciated, and less about a wealth of incentives. ■



ing to be activated. This potential often goes unrecognised and as such unused, although an employee would like to bring it to bear on the job.

All in all, these are not really new or innovative findings. But a close look at the course of daily business reveals a very different state of affairs.

Managers in general, and in middle management in particular, are by and large not masters of their own fate. They are under extreme pressure since in addition to their core responsibilities they are often actively involved in a variety of projects as well. They work under very tight schedules, attending one meeting after another, which leaves little time for their actual leadership responsibilities.

Yet time is one of the key factors involved in the approaches suggested above. Employees often complain that they only ever see their direct supervisor between



Nicola Brandes works near Hamburg as a personal trainer and management coach for executives; in addition, she accompanies change processes in SMEs.

The Secret to Successful Brands

Coca-Cola vs. Pepsi: it is the battle of the giants. If both beverages are sampled by blindfolded testers, 51 per cent prefer Pepsi. However, if the blindfold is removed, 65 per cent decide for Coca-Cola. But what does this mean for the brand? The appeal of the Coca-Cola brand beats Pepsi's sales arguments of quality and taste. A brand's appeal therefore provides decisive added value for the target group.



Regardless of what applies to you, your individual benefits will in this case outweigh the price that you have to pay for it. And it is exactly these strong, individual benefits that make products into brands.

Brands are valuable. They offer additional benefits that a product alone cannot command. A brand's appeal therefore provides decisive added value for the target group. The brand is the central sales argument and enables a clear competitive advantage. However, brands also have a

clear orientation function within commerce and thus facilitate the purchase decision. They lend security and are reliable companions to which one willingly remains true. In short: strong brands trigger positive emotions in buyers. And this competitive advantage is a strong argument against a potential price war with a competitor.

But how exactly do you create strong brands? What are the secrets of successful brands and how can these be used for one's own company?

German strategist Angela Lehmann's **EVE & ADAM brand model**: the seven strategies for success of strong brands

E = Emotion

From neuromarketing, we know that we consciously perceive just five per cent of all sensory impressions and experience 95 per cent on a subconscious, emotional level. Strong brands are able to appeal directly to our gut feeling with emotionally-charged messages and to influence our consumer behaviour.

If a customer has the choice between a product to which they have an emotional bond and one they are indifferent to or even dislike, they will always choose the product that appeals to them the most. A similar situation applies in business between two companies (B2B): it is also about emotions in this area. The focus is on reliability, trust and competence in particular.

In principle, one could say that the higher the level of appeal, the more attractive a brand is.

V = Vertrauen (Trust)

Trust forms the basis of all strong brands. But how can you generate trust in your brand?

First of all, it is important to know that trust is something that develops over a longer period of time. It is determined by reliably high product and service quality, a high degree of credibility, consistency and stability.

To generate trust, management must ensure that all employees – from the management team through to the skilled workers – live the company values and ensure consistently high quality products and consulting.

Miele constitutes one particularly good example of a company that has successfully earned itself a clear advantage with a strongly embedded culture of trust and uncompromising quality leadership compared to its rivals.

E = Einzigartigkeit (Uniqueness)

Strong brands are always perceived as unique and distinctive. A brand that is not unique can never be a strong brand. But how can you create uniqueness?

The good news is that uniqueness can be planned. A brand's uniqueness is embedded at the brand's core and comprises a combination of core competence, unique selling points and identity. While the core competence answers the question of 'What is our range of service?', the unique selling points address the question of 'What makes us unique?' or 'Where does our clear competitive advantage lie?'. Given that products are often interchangeable for consumers, intangible factors such as service and above all the brand identity play a major role. The sum of all characteristics we assign a brand is understood to be its identity. Supplementation with these human traits forms the cornerstone for the development of a strong, emotionally-charged brand.

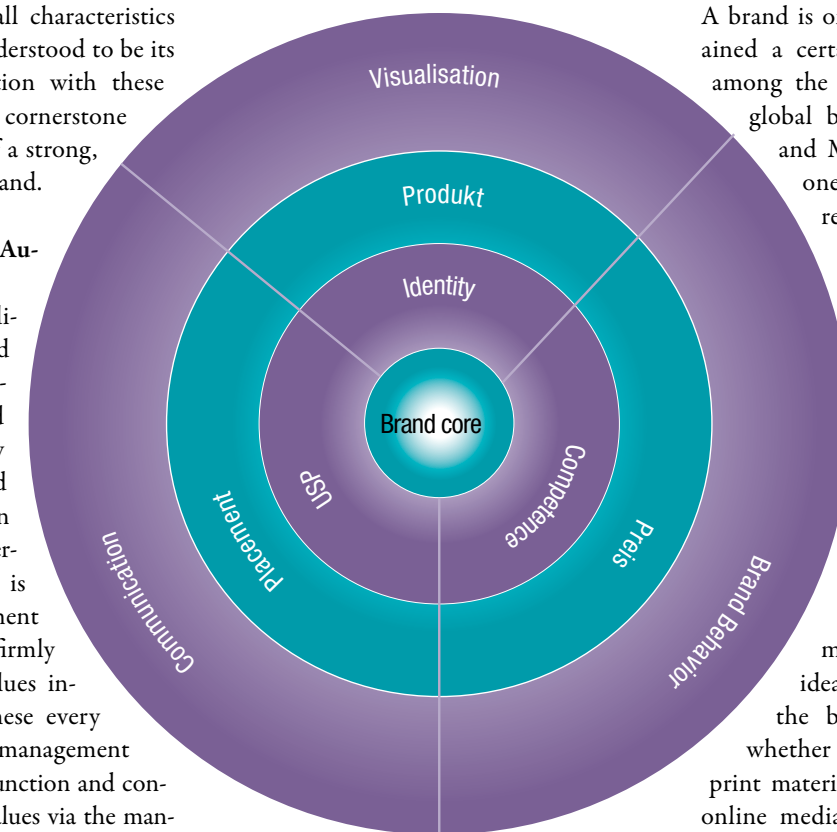
A = Authentizität (Authenticity)

Strong brands are credible in their presence and appearance. Authenticity generates trust and is therefore extremely important to brand management. But when exactly is a brand perceived as authentic? It is important for management and employees to firmly establish the brand values internally and to live these every day. Thus, company management assumes a role model function and conveys the 'lived' brand values via the management level deep into the company. The employees can only be enthusiastic about a brand if top management exudes this enthusiasm and lives it themselves. In doing so, the head of the company can not only reinforce the brand internally but also externally as a brand ambassador. A company's employees are increasingly also brand ambassadors, though. When employees believe in a company and its brand or can identify with it, they will live the brand values (brand behaviour) and spread the brand message via social channels such as Facebook and Twitter. Thus, they become credible multipliers for their own company; they become brand ambassadors.

D = Durchgängigkeit (Consistency)

The brand message must now be visualised and communicated to all brand contact points in the same format. A uni-

form, consistent design framework must be developed around the brand core – the so-called corporate design or brand design. This is understood to mean determination of the logo, tag line, colour codes, visual language, tonality, lettering, design, etc. This framework must now be individually attuned to each advertising medium, then applied consistently. The customer thus takes note of the brand message in an identical form at every contact with the brand. The outcome is a uniform, consistent brand image.



A = Auf Augenhöhe (At eye level)

Successful brands are primarily characterised by a distinctive customer orientation. Customer loyalty plays a decisive role in this. You must ascertain what customers expect of your product or service. What are their buying motive, attitudes and expectations of your product? When you know the answer to this question, you will know which minimum requirements you must also fulfil. If you would like to ensure customer loyalty in the long run, then offer customers additional benefits that they do NOT expect from you, for it is exactly these that will impress them. One possibility to impress customers is to make them a part of the

business process. Allow them to get involved in the development of products, design of packaging or composition of product lines. Applications running on social platforms such as Facebook and also mobile apps offer countless possibilities. In the B2B field, it is naturally also still possible to contact customers directly and to make mutual trust between customers and suppliers the measure of all things.

M = Marktdurchdringung (Market penetration)

A brand is only strong when it has attained a certain degree of recognition among the core target group. While global brands such as Coca-Cola and McDonald's achieve almost one hundred per cent brand recognition in the mass market, smaller companies should concentrate on strengthening the brand in their niche market.

To achieve high market penetration, the brand must also be communicated to the outside world and showcased.

Every single advertising message and each campaign idea should always underpin the brand core. Regardless of whether traditional media such as print materials, outdoor advertising or online media, the maxim of 'Creative ideas beat high budgets' is universally applicable. The better, more unusual the idea, the fewer financial means must be made available for market penetration. The ideas must surprise, enthuse and appeal to the target group emotionally. ■



Angela Lehmann accompanies organisations, from SMEs to corporate groups, in a managerial position during the strategic and communicative alignment of their brands. She worked for more than ten years in New York and San Francisco as managing director of a marketing agency and developed brand strategies and communication concepts for the North American market.

Global Campus 21®

The Manager Training Programme of the German Federal Ministry of Economics and Technology on the Internet

www.giz.de/gc21/mp

Lots of information at a glance for participants or anyone interested in the programme!

Meet your partners of tomorrow today!

Come and find potential business partners in our Cooperation Forum at www.giz.de/gc21/mp/kooperationsboerse

- Clear list of potential business partners
- Organised by country, industry and product
- Establish contacts easily



We are interested in your opinion!

Give us your feedback about this journal at www.giz.de/gc21/mp/feedback.



Deutsche Gesellschaft für Internationale
Zusammenarbeit (GIZ) GmbH
Friedrich-Ebert-Allee 40
53113 Bonn
T +49 228 4460-1227
F +49 228 4460-1333
E mp-pr@giz.de
www.giz.de/gc21/mp

Manager Training Programme

Supported by:

