

David Freeman
The Leader-Post

Monday, June 12, 2006

CREDIT: Roy Antal, The Leader-Post



Hussein Amery, CEO of Integrated Development Enterprise Associates, gives a presentation at the International Financial Institutions Bootcamp last week at the Hotel Saskatchewan-Radisson Plaza.

Being successful in business is tough enough, but when you throw cultural differences, language barriers and having to witness people in sub-standard living conditions into the mix, the prospect of succeeding seems even less likely.

That's why business people from across Western Canada were in Regina last week to learn how to better access funds, bid on foreign projects and overcome these other cultural problems in an

effort to be successful in competing for global contracts while diversifying the Canadian economy.

The IFI (International Financial Institutions) Bootcamp, put on by federal and provincial governments and agencies and hosted by the Saskatchewan Trade and Export Partnership (STEP), was the second in a four-part workshop series planned across Western Canada over four years to help give western companies an edge when bidding for IFI-financed procurement.

"We're trying to help the guys who have a very sophisticated Canadian operation move to the next level," said Hussein Amery, an international development expert, speaker at the bootcamp and CEO of Ottawa-based Integrated Development Enterprise Associates.

International business development is different from traditional business, explained Amery. First, you're bidding on contracts and projects in developing countries through an IFI that is granting billions of dollars in funds. Secondly, you're bidding as a nation. You are not competing with other Canadian businesses, but rather other countries. So to be successful is a point of pride as much as it is an economic windfall for Canada. Thirdly, he said it's an important way to diversify our economy.

Amery explained that roughly 89 per cent of Canada's foreign trade is with the United States, so it's important for companies wishing to expand beyond Canada's borders to consider other foreign trade opportunities.

"This (IFI procurement) gives us the opportunity not only to participate in the (international) market, but also to diversify our market and reduce our dependency on a single export point, which in terms of the appreciated Canadian dollar is a very significant factor," he said, adding that the strong Canadian dollar is a factor but not the sole reason to diversify.

Amery admitted that international business development isn't for everybody. He said he's been involved in the business for 10 years and participated in numerous surveys and research. In doing so he's found Canadians have a few weaknesses that need to be overcome.

"We study why Canadian firms trade the way they trade and (some) of the reasons are language, convenience, location and comfort," he said. "It's very easy to trade with the States ... And you're not going to change people from that. It's the ones that are already interested in it that we're trying to help."

Most people will take the path of least resistance, so to trade with people with like values, a common language and proximity can be too hard to resist. He said many of those who are involved in IFI procurement have goals that go beyond making profit.

"The guy from Calgary who can fly to Houston and back in a day, do his deal in the same language, is not going to change that -- even if he could make more money, he's not going to change that," said Amery. "It's the entrepreneurs that really want to get into that, it's the people who want to add this to their portfolio. It's not a substitute, it's a supplemental aspect to it."

He said Canada has three- to nine-per-cent ownership in the World Bank and five regional IFI -- such as the Asia Development Bank, which had a presence at the bootcamp in the way of projects throughout the developing world -- that Canadian firms can successfully bid for. It's just a matter of knowing how to do it.

"Canadians have products and services that are of global quality and the market is huge," Amery said, adding that it's estimated opportunities range from \$60 billion to \$150 billion depending on the sector. "So it's a huge market and it gives Canadian firms an opportunity to participate in the international arena. In particular we see, for example, Saskatchewan firms having very specific qualities which can support the developing world in advancement in education, telecom, in agriculture ... you have international quality firms here and the issue as always in Canada is diversification of our investments and our exports."

One of the keys to having a successful bid, according to Amery, is to accept that you're no longer doing business in Canada and so you must adjust your business practices.

"If you don't understand culture, this will be a disaster," he said. "You have to change. If you're not prepared to change this is not for you."

"We have many stories of people who go out there and they're not ready for the culture shock. They're not ready for the food, they're not ready for the poverty, they're not ready for attitudes," he said, referring to religious, political and social values. "It is difficult in some places. Understanding the relationship between culture and development is at the core of what we do. And those that grasp it well, do well."

"And one of the great things about people from Saskatchewan is that they're really open-minded and that allows them to really grasp and embrace the work," he said of his experience working with local firms abroad. Amery is the senior adviser for business development out of the Ottawa office of the Saskatchewan Institute of Applied Science and Technology (SIASST).

He said eastern Canadian firms have been "playing this market for a long time" but firms in Western Canada haven't taken advantage of the opportunity as often. He attributed this to a concentration of the expertise in the Windsor-Toronto-Quebec corridor of the country and said the bootcamp is attempting to raise awareness of the opportunities in Western Canada.

"We realize we have to come here," he said. "We have to come back and keep doing it, until there are enough people here who can do it for us."

Despite the gap between eastern and western participation in the international development business market, there are Saskatchewan firms who are actively involved in the bidding process and winning contracts. Amery pointed to SaskTel and SIASST as two examples of Saskatchewan organizations heavily involved in IFI procurement.

Grant MacTavish, project co-ordinator of international services at SIAST, said the bootcamp was a welcomed learning environment to help in its bidding process for educational projects and relationships.

"(The key was) meeting the bank officials, but also the session on the application process and some tips on applying because it is very difficult in Saskatchewan, first of all, because we are quite a ways from Ottawa and even further from Washington where a lot of the banks are," said MacTavish of the benefits of the bootcamp. "So it is tough to access the funding, so having this kind of insight is really useful."

For MacTavish, being involved in international business development initiatives is a way of helping those who need it by sharing expertise.

"One of the keys is linking institutions to business," said MacTavish of SIAST's success abroad. "I know in SIAST we do a good job of communicating with industry, having industry input into our programs and in many, many developing countries that doesn't exist."

"I've had the privilege of being able to help some countries do that, some institutions," he said, saying for the industry and educational institutions it's like having a light bulb go off. "Both sides see an advantage."

But the connection goes even further for those involved in helping.

"The sense of accomplishment in having helped someone who needs some assistance, who needs a leg up, I think that's probably the most significant (reward)," MacTavish added. "We sit here in our comfortable world -- yah, we know there's stuff going on out there, but when you go and see what people don't have it really does give you a new appreciation of what you have. But also a sense of, or a willingness, to give back to these countries. So it's pretty good. It's a good feeling."

Amery said the workshops are designed to help firms get to where MacTavish and SIAST are, but that it takes a lot of work.

"You can attend this workshop ... But you have to make an investment," said Amery. "You have to be dedicated to this and you have to be committed to it."

"So I always tell them, if you want to get into the market, don't look at the whole market," he said of the advice he gives to firms. "Pick one market. Focus on that market, being a sector or a country. Get organized, get prepared, because you have to be as professional when you pursue this as you would here."

He also emphasized tapping into the knowledge that is out there through the government, businesses already involved or experts like himself.

"There's a huge network that supports all this. Canadians need to tap into that network," he concluded, adding that that's where taxpayer dollars have been invested. "And those public servants sit there every day waiting for Canadians to come and ask them for help."

© The Leader-Post (Regina) 2006

Copyright © 2006 CanWest Interactive, a division of CanWest MediaWorks Publications, Inc. All rights reserved.