

In Country

Steps To Success

Although you can establish local presence in many ways, one recommendation is to form a local alliance. Lorraine Segil, author of *Fast Alliances: Power Your E-Business* (John Wiley and Sons), believes these alliances are not only a fast way to establish local presence, but also an economical way to add operational capacity. It's more cost-efficient for an entrepreneur who sells manufacturing parts to form an alliance with a local delivery company than to make delivery service an integral part of his or her overseas business.

Another benefit of alliances is flexibility. "Alliances can change as market conditions or technologies change," Segil says. "You may need an alliance with a particular company for three to six months during the market-entry phase, and then a [different] alliance for longer-term purposes."

When entrepreneurs need individualized help in a foreign market, Segil recommends subcontracting. "A subcontractor is more likely to see you as a client to serve rather than as a manager to obey," she says, adding that the financial and legal advantages are also important. "For example, some countries require an employer to continue paying a dismissed employee for a year or more."

Your first stop in the search for subcontractors is the embassy or consulate of the country you're interested in. Also try binational chambers or committees, such as the United States-Mexico Chamber of Commerce or the National Committee on United States-China Relations.

Meet Virginia Kamsky, chair and CEO of Kamsky Associates Inc., on the In Print Channel of SBTV.com.

Face-to-face interviews with subcontractors aren't always necessary, says Segil. If the person has strong references, a phone interview may be sufficient. But make sure you hire an interpreter with business experience if you need one.

A third option is hiring full-time overseas employees. Virginia Kamsky has hired employees in China for 21 years. The chair and CEO of Kamsky Associates Inc., an advisory and investment company based in New York City, Kamsky finds candidates through networking with businesses and universities and via word-of-mouth referrals.

E-mail is another resource. "I don't have time for extra phone calls," Kamsky notes, "but at day's end, I can review e-mails from job seekers fairly quickly."

What should you look for in full-time employees? "Relationships matter more than mere contacts," says Kamsky, 47. "Don't assume that hiring the son of a government official will automatically get you business. It's more important to hire a person with a good attitude and strong relationship-building skills." Language skills are also important — Kamsky makes it a point to conduct in-person interviews in Chinese and English.

Kamsky's advice is to trust your instincts when assessing personalities, but to always put business essentials in writing prior to hiring. "Confidentiality is of utmost importance to our clients. All our employees sign legally binding confidentiality agreements before starting work."

As businesses both large and small enter international markets with increasing speed, it's more important than ever to remember that success depends on both halves of the circle: To achieve global reach, your business must have a local touch.