

Articles

Unpacking Students Consulting Projects: The Perspectives of Chilean MSMEs' on International Readiness

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This paper explores the benefits of student consulting project (SCPs) from the Chilean Micro-, Small, and Medium- Enterprises (MSMEs) client perspective. A reflection of seven companies based in Chile was collected through semi-structured interviews after participating in a semester-long student consulting project (SCPs) developed for Entrepreneurial Assistance course in the School of Management at Florida Atlantic University (FAU). The Chilean's MSMEs were sourced through SERCOTEC in Chile and the Small Development Center (SBDC at FAU in the U.S.). Literature review of student consulting project (SCPs) tend to consider local/ domestic small businesses rather than foreign small businesses. Previous studies tend to measure the benefits of SCPs from students' perspective rather than the client perspective. This study reveals the outcome of the Chilean's MSME's in assessing their readiness to internationalize and do business in Florida, USA as a result of SCPs. Our analysis showed that from the client perspective, the location of the SCPs (in the US) equipped Chilean's MSME's with the essential knowledge about the Florida, U.S. market, whereby the client obtained institutional knowledge and network knowledge, which were labeled as an informative knowledge or confirmative knowledge; the specific knowledge for each theme is detailed in the paper.

Introduction

Student consulting projects (SCPs) can be a source of knowledge for MSMEs. SCPs are a university-facilitated learning program that allows students to provide consulting services and information to industry partners and community organizations, which include business plans and recommendation reports (Canziani & Tullar, 2017; Kay et al., 2019; Madison & Chawla, 1998). SCPs are an experiential learning approach that allows students to evaluate and apply knowledge taught in class to real-world business experiences (Annavarjula & Trifts, 2012; Canziani & Tullar, 2017; Kay et al., 2019; Tavanti & Wilp, 2018). SCPs can be a source of firms' knowledge or what we call a knowledge-based view (KBV). The knowledge-based view (KBV) is a theoretical framework that seeks to explain the competitive advantage of firms by analyzing their knowledge resources and capabilities (Grant, 1996, 2002). The KBV reinforces the notion that knowledge acquisition allows firms to become more efficient and effective in utilizing scarce resources (Fu, 2022) and how new information can be assimilated to form a competitive advantage and improve overall company performance (Handoyo et al., 2021; Hörisch et al., 2015; Liao et al., 2016; Sahinagic, 2021). It has been argued that MSMEs are subject to various challenges. Insufficient knowledge exaggerates differences in economic and institutional settings between the home and foreign markets, causing MSMEs to underestimate or overestimate the

risks of entering a foreign market (Abubakari et al., 2021; Bell & Cooper, 2018; Kisman & Tasar, 2014). It minimizes short-term and long-term costs of MSME internationalization and increases the competitive advantage in the foreign market (Basle et al., 2018; Mejri et al., 2018).

Carnegie Foundation shed light on the benefits of project-based learning from students' perspective (2013). Garrido-Lopez et al. argued that we also need to measure the benefits of student projects from the client's perspective and that "we cannot claim to have accomplished engagement without acknowledging first the benefits to all parties involved" (2018, p. 69). Extant literature suggests the use of local or regional support in SCP pedagogies (Annavarjula & Trifts, 2012; Canziani & Tullar, 2017; Garrido-Lopez et al., 2018; Harris et al., 2022; Lycko & Galanakis, 2021). In other words, most Project-based pedagogy follows a similar structure wherein students provide consulting services to firms within the same geographic area or border (Garrido-Lopez et al., 2018). Garrido-Lopez et al. explored the benefits of project-based learning semester-long projects at Western Carolina University (WCU), and the clients that participated in projects were primarily local and regional businesses in Western North Carolina Project-based pedagogy (2018). It seems that there is a tendency by universities/colleges to conduct Project-based pedagogy at a local level and by working with local businesses/clients who might have enough knowledge about the local market, leaving out international and foreign MSMEs that might have

a significant need to acquire knowledge from Project-based pedagogy in the local targeted market.

Building upon this, this study aims to investigate the benefits of SCPs for international MSMEs, and the contribution SCPs make to the knowledge-based view (KBV). We have done so by conducting semi-structured interviews of seven companies based in Chile after participating in a semester-long student consulting project (SCPs) developed for Entrepreneurial Assistance course in the School of Management at Florida Atlantic University (FAU). The Chilean MSMEs were sourced through SERCOTEC in Chile and the Small Development Center (SBDC at FAU) in Florida, U.S.A.

The Context of MSMEs in Chile

Chile makes an interesting case since MSMEs are a significant component of Chile's business sector. MSMEs account for over 98.6% of Chilean enterprises (OECD, 2022). More specifically, microenterprises comprise 75.5% of all enterprises, small-sized enterprises account for 20.2%, and medium-sized enterprises account for 2.9% (OECD, 2022). Furthermore, MSMEs account for only 13.1% of Chile's total sales, while large firms account for 86.9%. MSMEs also serve as a source of employability for the country; 62% of the workforce is employed in social services and accommodations (OECD/CAF, 2019). Within Latin America and the Caribbean region, Chile is recognized as the forerunning innovation leader (Cornell University et al., 2020). Chilean MSMEs exhibit high levels of international activity, which can be attributed to their strong foreign trade agreements (FTAs) and connections with developed countries such as the U.S., China, European countries, etc. (Felzensztein et al., 2013). Chilean MSMEs leverage their trade connections to reach more clients (Cancino, 2014). Here, MSMEs can engage in knowledge absorptive channels while increasing exports and diversifying trade activities towards different economies.

For Chilean MSMEs to internationalize and successfully operate in distant markets, support for Chilean entrepreneurs must increase (Cancino, 2014). There are government incentives aside from FTAs that encourage MSMEs to internationalize. Various public support programs exist to aid MSMEs in their innovation efforts. FONTEC (National Productivity and Technological Development Fund) and FONDEF (Science and Technology Development Fund) were created with the specific aim of promoting a business culture in the country and internationalization outside the country (Rehman, 2017). Furthermore, the Chilean SBDC Network SERCOTEC is a private law corporation dedicated to serving micro and small businesses in Chile. SERCOTEC seeks to reduce the disadvantages MSMEs face to larger corporations by providing Chilean MSMEs with advice, training, and economic consultations to reactivate the Chilean economy (SERCOTEC, n.d.). Areas of support vary for each MSME, but SERCOTEC wishes to strengthen MSMEs' management capacity and business development.

The Context of the Floridian Market

Florida is one of the most lucrative markets in the U.S. Florida's economy relies on tourism and exports. In 2021, Florida exported \$55.5 billion of goods to over 200 countries, making it the 7th largest exporter (Observatory of Economic Complexity [OEC], 2022). Between 2021 and 2022, exports increased by 23.8% (\$1.08B) and imports by 19.3% (\$1.61B) (OEC, 2022). The influx of tourists and visitors emphasizes a demand for business creation to meet the needs of consumers, which incentivizes citizens to open small businesses. MSMEs account for 99.8% of Florida businesses, employing 40.5% of the Floridian workforce (SBA Office of Advocacy, 2022). Hispanics are the largest minority demographic in Florida to make up the workforce and own a business. In 2022, Hispanics owned 32.1% of businesses and comprised 28.1% of workers (SBA Office of Advocacy, 2022). Florida's large Hispanic population can lower the liability of foreignness Chilean MSMEs may experience in their decision to do business here.

Florida has a 50.2% start-up success rate and is ranked 11th in the ease of doing business, which is beneficial for MSMEs that seek to open and operate their business (FLS-BDC, 2020). There are, on average, 7 to 10 steps to consider when opening a business in Florida.

Literature Review

Knowledge-Based view and Market Knowledge for International MSMEs

The knowledge-based view (KBV) is a theoretical framework that seeks to explain the competitive advantage of firms by analyzing their knowledge resources and capabilities. According to KBV theory, a firm's knowledge resources can be a source of sustained competitive advantage (Randall, 2013). KBV theory emphasizes firms seeking to acquire, create, transfer, and leverage knowledge to succeed in international business. KBV theory emphasizes the importance of knowledge, a learning process that benefits the firm, which is crucial for international expansion as it enables access to market information within the foreign market (Basle et al., 2018; Cancino, 2014; Liao et al., 2016; Magni et al., 2022; Xie & Suh, 2014; Zakery & Saremi, 2021). There is a strong correlation between foreign market knowledge and firm performance (Basle et al., 2018; Mejri et al., 2018; Siachou et al., 2022).

Market knowledge is general market information gathered through market research and country reports (Kisman & Tasar, 2014). Institutional knowledge concerns the institutions in the host country in terms of, for example, local government, laws, culture, and norms (Basle et al., 2018). Institutional knowledge involves a comprehensive understanding of a foreign market's local government, laws, and regulations (Basle et al., 2018; Eriksson et al., 1997, 2000; Kisman & Tasar, 2014; Mejri et al., 2018; Zakery & Saremi, 2021). Jansson termed this as "societal knowledge," emphasizing its connection to the unique societies within specific country markets (2007). By leveraging institutional knowledge, MSMEs can improve their performance by minimizing

uncertainties, mitigating risks, and adapting their business strategies to effectively penetrate the foreign market (Hånell et al., 2017; Kisman & Tasar, 2014). Institutional knowledge pertains to an essential understanding of the host country's institutions.

Scholars have explored how MSMEs collaborate with external partners, including suppliers, customers, universities, and research institutions to access and obtain market knowledge (Basle et al., 2018; Magni et al., 2022; Randall, 2013; Siachou et al., 2022). The knowledge transferred from such relationships is known as network knowledge and cannot be replaced by general market information (Hånell et al., 2017). Acquiring network knowledge specific to a market involves engaging with the business networks of foreign markets (Johanson & Vahlne, 1997). This interaction fosters the exchange of information, facilitating the ongoing internationalization of firms (Ellis, 2000; Zain & Ng, 2006; and Chetty & Agndal, 2007). Network knowledge assists MSMEs in overcoming resource deficiencies by providing access to local business contacts with in-depth knowledge of the market (Jin & Jung, 2016). Business networks tend to allow international MSMEs to obtain new knowledge from other network members, enabling them to identify and exploit market opportunities within foreign markets (Handojo et al., 2021; Hånell et al., 2017). Therefore, network knowledge enhances the internationalization readiness for international MSMEs (Hånell et al., 2017).

Such knowledge signals international readiness, which refers to the level of preparedness and propensity to internationalize and describes a firm's transition from a domestic firm to a global firm (Tan et al., 2007). Internationalization readiness is closely tied to the appropriate information and knowledge MSMEs have about their target market and selected industry (Hånell et al., 2017; Xie & Suh, 2014). This is essential to the internationalization process because it allows MSMEs to assess the levels of commitment, control, and risk they are willing to undertake before entering the foreign market (Laufs & Schwens, 2014). MSMEs' readiness levels are strongly linked to knowledge, particularly foreign market knowledge, which is the key driver for internationalization (David & Cariou, 2014; Magni et al., 2022; Sandberg, 2014). In Tan et al.'s model, MSMEs gather information to gain knowledge about foreign markets and international business opportunities (2007). This helps MSMEs decide whether to begin internationalization or continue learning and explore international opportunities later to reduce internationalization risks (Magni et al., 2022; Tan et al., 2007). By doing so, MSMEs can make well-informed decisions, develop effective strategies, and adapt their products, services, or business models to meet the specific needs of foreign markets (Hånell et al., 2017; Kisman & Tasar, 2014; Magni et al., 2022).

Student Consulting Projects

Implementing project-based learning shifts the landscape of education, transcending the boundaries of traditional classrooms and hypothetical scenarios to engage with the actual complexities of the world. It brings forth authentic problems and challenges reflective of the realities

businesses encounter (Jennings, 2002). SCPs are a form of experiential learning that generates knowledge that counts as consulting services like market analysis, competitor analysis, customer preferences, etc. (Kolb, 1984). SCPs facilitate market knowledge acquisition by providing insights into local business networks, location strategies, and product differentiation (Shane, 2000; Wu, 2021). It has been argued that SCPs benefit university faculty and students by improving teaching proficiency, student learning, and career prospects (O'Leary, 2017; Tavanti & Wilp, 2018). The argument is that SCPs offer students the opportunity to practice critical skills and competencies, internship opportunities, job prospects, and real-world exposure (Annavarjula & Trifts, 2012; Canziani & Tullar, 2017; Harris et al., 2022; Kay et al., 2019; Tavanti & Wilp, 2018).

Most of the introspective research on project-based learning, particularly in the context of reflecting on projects involving industry in business education, has predominantly centered around the self-reported experiences of either professors or students (Gaumer et al., 2012; Gray et al., 2013). Therefore, a study from the clients' perspective could contribute to the repository of the knowledge-based view (Garrido-Lopez et al., 2018). In addition, there appears to be a prevalent trend among universities and colleges to implement project-based pedagogy on a localized scale, collaborating with nearby businesses or clients who possess a sufficient understanding of the local market (Garrido-Lopez et al., 2018). However, this approach often overlooks the potential benefits for international and foreign MSMEs that may have substantial requirements for acquiring knowledge through project-based pedagogy within the targeted local market. This omission limits the scope of educational initiatives, hindering the broader potential impact on a global scale, especially for MSMEs operating in diverse and international business environments. To maximize the effectiveness of project-based learning, it is essential to broaden the perspective and engage with a more diverse range of businesses, including those with international interests, ensuring a comprehensive and globally relevant educational experience.

Study Setting: Chilean's MSMEs & FAU Student-Consulting Projects Pedagogy

Step 1: The Selection Process of Chilean MSMEs

An SBDC consultant reviewed Chilean MSMEs' applications for the SCP Program. SBDC at FAU is a center located in Florida Atlantic University (FAU), which serves local small businesses but also aims at enhancing regional economic development through business attraction of foreign companies. SBDC at FAU formed a collaboration with SERCOTEC in Chile (carry the same mission of SBDC) to assist Chilean MSMEs in the soft-landing process. This initiative led SBDC to form a collaboration with the professors and students at FAU- College of Business.

The selection process is limited to MSMEs with pre-existing businesses in Chile and are seeking expansion. The program was open to MSMEs from different industries and sectors, and it targeted MSMEs that expressed interest in

Table 1. Company's profile

No.	Company Abbreviation Clients' code	Sector	No. of Employees	Annual Revenue (In USD)
1	CLF: BO 1	Café/Coffee Producer	10	\$204,069
2	CG: BO 2	Commerce/Import and Export	4	\$609,013
3	SD: BO 3	IT, Software and Hardware	5	\$115,105
4	RYC: BO 4	Architecture and Construction	6	\$582,318
5	SOL: BO 5	Olive Oil	3	\$3,699
6	OS: BO 6	Gaming	10	\$133,348
7	PL: BO 7	Pastry	12	\$71,818

doing business in Florida, U.S. A total of 7 companies were selected to be part of a semester-long course targeted at undergraduate students located in Florida and are at the FAU College of Business (see [Table 1](#)).

Step 2: Chilean MSMEs Presentation to Students

This program was part of an undergraduate course assignment for students at the College of Business to pass the Entrepreneurial Assistance course (one semester). In collaboration with the professor, each business owner (company) was given a time slot and gave a presentation to students via Zoom. Each business owner had seven minutes to present about the company, and three to five minutes were allocated for a Q&A session. The presentation included a description of the business, its performance, challenges, and a list of requests for students to work on. Majority of the business owners' assigned students to covered areas related to understanding the U.S. market included entry mode options, acquiring information about the regulations to open a business in the U.S., tax requirements, and costs associating with doing business in the Florida, U.S. It is important to note that the most requested areas were related to market analysis and legal regulations. Students were assigned to a team of 4-5 students to work on the consulting project.

Step 3: Follow-Up Meetings

Both students and the MSMEs met and communicated with each other throughout the semester independently. Halfway through the semester, the course professor would schedule a follow-up meeting with students and the business owner. The objective of this meeting is to track students' performance related to the entrepreneurial assistant course and to address any issues experienced by the business owners or/and students. The researchers of this study attended those meetings to observe the project throughout the semester.

Step 4: Students' Report Submission and Oral Presentation

At the end of the semester, students submitted a final report and gave a presentation based on their report in front of their professor and the business owner. The professor

and business owners asked follow-up questions, which allowed students to clarify and expand on certain points. Students were asked to reflect on the process of working with the business owner and how they benefited from it.

While MSMEs submitted an evaluation form to the professor based on students' reports and presentations. The evaluation assessment allowed the business owner to reflect on the process and its usefulness to them.

Step 5: Interviewing the Chilean MSMEs

After the semester ended, the researchers of this study scheduled individual interviews with each business owner to better understand their experience working with students and their decision to do business in Florida. More details are discussed in the following section.

Methodology

The objective of this study is to examine the benefits SCPs offer to the Chilean's MSMEs in terms of assessing their readiness to internationalize and do business in Florida, USA. We conducted semi-structured interviews with seven Chilean's MSMEs to better understand their experience with being part of the SCPs, working with students in the US and its effect on their business decisions. Each business owner was invited to participate in a semi-structured interview individually through the Zoom platform. Semi-structured interviews are one of the most used interview methods in qualitative research (Adhabi & Anozie, 2017). Semi-structured interviews follow a set of guidelines while allowing flexibility to pose more enhanced conversation, increasing the reliability of the respondents' answers and justifications (Krosnick, 1999; Roberts et al., 2014).

We used an interview protocol, posing questions to participants about their international business experience outside of Chile. Each participant gave consent for recording interviews, ensuring anonymity and confidentiality. The interviews covered their involvement in SCPs, collaboration with students, and the impact of students' work and recommendations on their decision to operate in the Floridian market. We employed additional probing questions to delve deeper into business owners' perspectives, enriching the study with diverse themes introduced by the participants while maintaining consistency with the study design. Each interview lasted between 40 to 60 minutes. The interviews

Table 2. Data structure

First Order Codes	Second Order Themes	Aggregate Theoretical Dimensions
Statements about Chilean MSMEs' acquiring legal and regulatory information.	Institutional Knowledge	Knowledge acquisition
Statements about Chilean MSMEs' information about potential partners	Network Knowledge	
Statements about Chilean MSMEs' receiving new input.	Informative Knowledge	Readiness to internationalize
Statements about Chilean MSMEs' receiving validation.	Confirmative Knowledge	

were predominantly conducted in English. Most of the interviewees spoke English, however, a Spanish-to-English translator was present during the interviews to elaborate on and translate any input when necessary. Two researchers conducted the interviews. One of the researchers oversaw asking questions and the other took notes.

Data Analysis

The interviews were transcribed and analyzed manually. Two researchers met frequently to analyze the data. We adopt a systematic combining approach familiar with IMM studies (Aaboen et al., 2016; Dubois & Gadde, 2002, 2014; Halinen & Törnroos, 2005). Systematic combining is a non-linear approach involving several iterations between framework, data, and analyses. Pursuing this placed additional emphasis on participants' accounts. The themes and codes originally gleaned from the literature provided a preliminary framework for the analysis. This allowed, as a first step, the mapping of MSMEs' experience of working with students, which included the information they have acquired: knowledge gained and whether it was regulatory (institutional knowledge) or business partnership (network knowledge). As a second step, we evaluated whether the information gained was new to the business owner (informative knowledge) or validated what the business owner already knows (confirmative knowledge). Third, we aggregate theoretical dimensions on knowledge acquisition and the owners' readiness to internationalize. The findings below reflect the thematic analysis that emerged from the three interview transcripts. [Table 2](#) shows the data structure reflecting the thematic analysis undertaken.

Findings

Knowledge Acquisition

The results of this study indicate the benefits of the SCPs from business owners' perspective. Being part of SCPs enhanced the Chilean business owners' understanding and knowledge about the Florida market. The findings of this study revealed the importance of knowledge acquisition for international MSMEs. Through the SCPs, the Chilean MSMEs acquired two types of knowledge—*institutional knowledge* and *network knowledge*. Furthermore, *the MSMEs* engaged in a knowledge transfer process wherein the ac-

quired knowledge materialized into informative knowledge (information that was not known to the MSMEs prior to joining SCPs) or confirmative knowledge (information that was previously known to the MSMEs prior to joining SCPs for the MSMEs).

Institutional Knowledge

Institutional knowledge concerns the institutions in the host country in terms of, for example, local government, laws, culture, and norms (Basle et al., 2018). Through SCPs, the business owners acquired institutional knowledge, a thorough analysis of the host country's local government regulations and market analysis of the local markets and customers. BO 1 (Café/Coffee Producer) emphasized the role of student assistance, "When I talked to the students and looked at the report, they gave me a starting point, I started to understand the **size of the industry and the performance of the industry.**" BO 1 emphasized the significance of focus and acknowledged that student guidance was beneficial as it provided them with a starting point for entering the Floridian market. Students played a pivotal role in providing business owners with insights into their industry's performance in the U.S. market, specifically in Florida. The following quotes illustrate how the Chilean MSMEs utilized the SCP to acquire knowledge and assess their readiness for internationalization.

BO 3 (IT, Software and Hardware) also shared, "We knew that we needed to conduct research, but we could not do it due to limited capacity. The students assembled what we should know to get started in the U.S. They told us that we would need a local agent to represent us to begin the establishment process. They sent us some forms from **the IRS that we needed to fill in.** Their work saved us six months to a year of researching market and **legal work.**" Likewise, BO 6 (Gaming) mentioned, "...the other thing was the time and effort that the students put into **researching all aspects about the market**, which could have been a large cost for us." The above statements indicate that the SCPs were time-saving and cost-effective. The SCP's efficient nature enables MSMEs to allocate their resources more efficiently and focus on other critical aspects of their internationalization strategy. The knowledge acquired by the Chilean MSMEs encompasses both strategic insights and practical resources, equipping them to make well-informed

decisions, mitigate uncertainties, and enhance their readiness.

Students assigned to BO 6 identified BO 6's bilingual (Spanish and English) nature as a key differentiator and a potential value proposition to target a diverse, worldwide audience.

Students conducted market analyses tailored to the specific needs of Chilean MSMEs. Each report typically included a customer profile, a competitor analysis, and a market analysis. BO 7 (Food and Beverages) stated "The **research about the market in Florida** was valuable information because we found out that our product has a place there." Similarly, BO 6 (Gaming) highlighted "**The competitive analysis** was interesting because it gave us some perspective on similar size companies that we only knew from the surface." A competitor analysis assesses MSMEs' in identifying their competitors and understanding their strengths, weaknesses, and market positioning. This knowledge helps MSMEs identify competitive advantages and differentiation opportunities and adapt their strategies based on market dynamics (Harina & Haznam, 2019).

Networking Knowledge

Network knowledge is the direct access to and relation with the host country's business network, including connections to suppliers, distributors, and customers (Basle et al., 2018; Magni et al., 2022). BO 1 (Café/Coffee Producer) noted how students introduced him to potential local clientele networks served two purposes: a potential customer/partner and a guide. "You can read and learn information on the internet, but there is something more tangible about talking to the people who live and work in the places you want to be." BO 1 underscored the significance of network knowledge obtained through SCPs. Students facilitated potential partnerships by introducing MSMEs to contacts who could be both customers and partners. For example, students introduced BO 1 to local coffee distributors and roaster suppliers that also supplied other local coffee shops. We argue that students' proximity to the local market made it easier to establish networking contacts for the MSMEs. They could directly connect with local businesses, organizations, and individuals because they reside in the MSMEs' target market. This local presence, combined with their familiarity with and knowledge of the American/Floridian culture, language, and business practices, gave them an advantage in accessing the local business ecosystem.

In addition, BO 7 (Pastry) expressed, "Students also had pretty good marketing ideas. For example, trying to sell our products to the university's students, where we **can get students to try our products and offer feedback**" Students compiled a list of supermarkets that sold similar products to local competitors. The supermarkets are potential customers for BO 7. They are retailers that may distribute the products offered by BO 7. BO 3 (IT, Software and Hardware) shared a similar input on network connections: "We asked the students to research taxing regulations and **they have arranged a meeting with a tax expert for us.**" This contributes to enhancing the level of readiness of the Chilean MSMEs in terms of taking proac-

tive steps to address regulatory and compliance matters in the foreign market.

In addition, the Chilean MSMEs found the SCP beneficial because students played dual roles as consultants and potential customers. BO 4 (Architecture and Construction) expressed, "The students gave us **professional answers** and an open investigation of the market. We were able to get a better understanding about the market in the U.S." BO 6 (Gaming) also highlighted their gratitude towards students "In that sense, the student consulting project was especially useful for us because the **students also filled in the role of customers** since they fit into our demographics. It was great to receive honest feedback from potential consumers." This statement reveals that leveraging students as potential consumers exemplifies the application of network knowledge.

Readiness to Internationalize

International MSMEs engage in the process of acquiring market-specific knowledge from students. Students contribute by imparting fresh insights and strategies and creating informative knowledge, a crucial factor for MSMEs in assessing their readiness for internationalization. This informative knowledge offers a new perspective on foreign markets and subsequent information. For business owners with some prior knowledge of a foreign market, students' input serves to validate and reinforce their existing understanding. Confirmative knowledge, in this context, involves information that affirms or validates the MSMEs' pre-existing knowledge about the U.S. market, reinforcing what they already know rather than introducing entirely new information.

Informative Knowledge

Since the majority of the MSMEs have joined the SCPs, they have little knowledge and understanding about the U.S. market, therefore, they gained new and informative knowledge. BO 6 (Gaming) commented that "the experience with the students **was informative** about the next steps we should consider if we decided to do business in the U.S....they answered almost all the questions we had"

Similarly, BO 4 (Architecture and Construction) mentioned "this was a great opportunity...**I truly obtained more understanding and knowledge** of what I need to consider if I decided to move forward." These international MSMEs acquire new and informative knowledge, stemming from institutional knowledge and network knowledge as discussed earlier, blend to create informative knowledge. Informative knowledge serves as the basis for MSMEs to assess their readiness to operate in this foreign market. BO 7 (Pastry) highlighted "This program [SCPs] was a good opportunity to learn how to export and **to get more knowledge**. They made a step-by-step process we can use to follow. They made everything easy for us to understand. We know what to do now." BO 7's account reflects the impact of this new knowledge on their internationalization readiness. The step-by-step process offers BO 7 practical insights into the export process, addressing knowledge gaps about regu-

latory compliance, logistics, and market research, which international MSMEs lack. This new and informative knowledge contributes to BO 7 by offering creative marketing tactics tailored to the specific needs of the market.

BO 1 (Café/Coffee Producer) shared **“students offered information we did not have that gave us confidence that we could do it.”** This reveals that SCPs generated fresh insights and strategies, which become informative knowledge—a new knowledge that is a critical factor for MSMEs to evaluate their readiness for internationalization.

Confirmative Knowledge

Some of the Chilean MSMEs demonstrated previous knowledge of the market research conducted by students. BO 6 (Gaming) stated, **“We had an idea of what we needed to do before the student consulting project.** After working with the students, this idea didn't change much. Rather, the **experience reinforced** the importance of taking our marketing initiative.” SCPs affirmed and strengthened the MSMEs' existing knowledge indicating that students' work validated the significance of their pre-existing marketing strategy rather than introducing new ideas and perspectives. BO 5 (Olive Oil) mentioned, **“The students provided some information that we already know about...We had the same information as what the student provided.”** BO 5 expressed that the students shared details that were already known to them, which contributed to their level of readiness.

Discussion & Conclusion

Due to resource scarcity in MSMEs, acquiring knowledge is challenging yet essential for managing internationalization complexities, reducing risks, and identifying foreign market opportunities (Magni et al., 2022). KBV theory underscores the importance of knowledge for firm success (Fu, 2022; Grant, 1996, 2002), especially in effective internationalization processes and risk management (Handrito et al., 2020). This paper proposes that SCPs serve as a unique knowledge source (KBV). Many international MSMEs entered the SCP program with limited knowledge of the U.S./Florida market, indicating lower internationalization readiness (Sijabat, 2018). Literature consistently links MSMEs' internationalization readiness to market knowledge acquisition (Basle et al., 2018; Hånell et al., 2017; Kisman & Tasar, 2014; Magni et al., 2022; Randall, 2013; Siachou et al., 2022). Under SCP, international MSMEs engage in a knowledge transfer process determining their readiness for internationalization.

Based on the model above (see [figure 1](#)), Students Consulting Project (SCPs) framework contribute to the development of the Knowledge-Based View theory, which posits that knowledge is a critical advantage for firms. The proximity of students to the host country enabled the generation of institutional knowledge (sharing the regulations of the host country) and network knowledge (sharing business partnership in the host country), which informed the clients' decisions regarding internationalization. From the client's perspective, students' input provided both informa-

tive knowledge (introduced new understanding of the market) and confirmative knowledge (reinforces existing understanding of the market), shedding light on their readiness to internationalize as MSMEs. CPs have a dual impact on economic development, influencing exporting and FDI. They offer students practical experience and allow them to apply skills locally. Simultaneously, SCPs provide international MSMEs with access to local resources and networks, fostering collaborations that yield valuable information, market insights, and potential partnerships in the foreign market (Octasylyva et al., 2022). The knowledge transfer from students to international MSMEs enhances business practices, productivity, and capabilities, aligning with KBV theory's emphasis on knowledge and capabilities for competitive advantage and economic growth. Strengthening capabilities through SCPs improves international MSMEs' competitiveness and readiness to navigate complex business environments, contributing to local and global economic growth (Octasylyva et al., 2022). This study highlights the educational significance of how SCPs empower international MSMEs with tools, resources, foreign market exposure, and the ability to assess their readiness to internationalize (Octasylyva et al., 2022).

In the realm of institutional knowledge, it entails a thorough examination of the local government, legal framework, regulations, and various elements such as competitors, customers, market size, and conditions (Basle et al., 2018; Eriksson et al., 1997, 2000; Kisman & Tasar, 2014; Mejri et al., 2018; Zakery & Saremi, 2021). This type of knowledge empowers MSMEs with the capacity to grasp optimal business practices. Leveraging institutional knowledge enables MSMEs to enhance performance by reducing uncertainties, managing risks, and adapting strategies to effectively enter foreign markets (Hånell et al., 2017; Kisman & Tasar, 2014). Network knowledge aids international MSMEs in addressing business partnership (Jin & Jung, 2016). International MSMEs, through their business networks, often gain access to novel insights from fellow network members, empowering them to identify and capitalize on market opportunities in foreign markets (Handoyo et al., 2021; Hånell et al., 2017).

Our research reveals that SCPs provide international MSMEs with both Informative Knowledge and Confirmative Knowledge. Informative Knowledge offers new and crucial insights, enabling MSMEs to evaluate their internationalization readiness by providing fresh insights and relevant information about the foreign market. For those with prior knowledge, Confirmative Knowledge reinforces existing understanding of the U.S. market rather than introducing entirely new information. We emphasize the importance of combining both types of knowledge to overcome market barriers and enhance internationalization readiness.

This study builds on existing research by looking at the benefits of SCPs from the business owner perspectives. We acknowledged that the Carnegie Foundation illuminated the advantages of project-based learning from the students' perspective (2013). However, our study supports Garrido-Lopez et al.'s work in that it is equally essential to evaluate the benefits of student projects from the client's standpoint

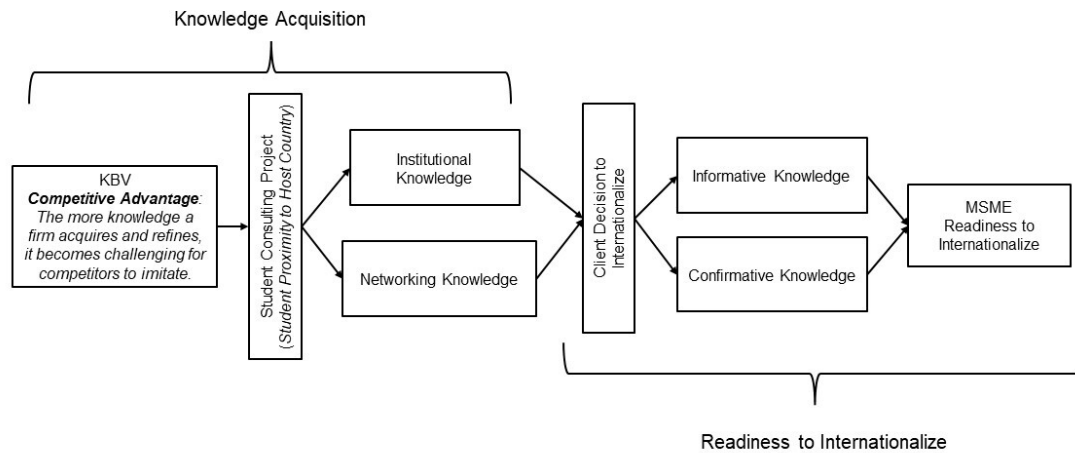


Figure 1. SCPs as a KBV - MSMEs Readiness to Internationalize Model

(2018). In addition, existing literature mainly incorporated local or regional support when it comes SCPs pedagogies, where students offer consulting services to companies within the same geographical area and location (Annavarjula & Trifts, 2012; Canziani & Tullar, 2017; Garrido-Lopez et al., 2018; Harris et al., 2022; Lycko & Galanakis, 2021). However, our study acknowledges the benefits of SCPs for international MSMEs who lack knowledge and understanding of a foreign market.

Contribution and Future Research

This research aims to provide a unique perspective on internationalization readiness by examining knowledge acquisition through the Knowledge-Based View (KBV) theory, focusing on Student Consulting Projects (SCPs) for international Micro, Small, and Medium Enterprises (MSMEs). We argue that SCPs can serve as a valuable tool for assessing MSMEs' preparedness for international markets, enhancing their readiness through practical knowledge. This expands the conventional understanding of knowledge application in internationalization, emphasizing SCPs' experiential insights for MSMEs entering global markets. By drawing on the KBV, which underscores the importance of knowledge

as a source of competitive advantage, this model underscores the significance of experiential learning opportunities for students and practical insights for firms. Despite the qualitative nature of our study, limited to seven microenterprises in Chile, it suggests the need for quantitative research, considering company size, diverse knowledge types, and experimental analyses to explore additional benefits of SCPs on international MSMEs. Future studies should also focus on pedagogies promoting SCPs' involvement in assessing international MSMEs' readiness for internationalization. Moving forward, further research can also build upon this model by exploring longitudinal effects, conducting qualitative analyses to delve deeper into the mechanisms at play, and expanding the scope of study across diverse contexts and industries. Through continued exploration and refinement, this model holds the potential to contribute significantly to both academic understanding and practical applications in the realm of international business strategy.

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