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A Research Proposal: The Value of Foreign Languages in Business Communication

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Abstract

There are several factors that a company considers when deciding to operate in an international territory or with a foreign company. Factors such as language and culture greatly affect the success of business. Being able to effectively communicate ideas and strategies can be challenging in a new business environment. Determining the importance of language by a company is crucial to its success. Studying another language helps to understand the culture of the studied language which will assist in a corporation's decision making process. English is a popular language in conducting business; however, communicating in other languages is gaining popularity. The aim of this research proposal is ascertain through questionnaires and interviews distributed in the United States, managers' and employees' attitudes and perceptions on foreign language acquisition.. By using this sequential, mixed-method approach, corroboration of survey results with interviews might be achieved. Many countries have made it compulsory to learn a foreign language and the Unites States is attempting to make adjustments accordingly.

Key Words: communication, business, languages, foreign languages

Statement of the Problem

Effective communication is vital in today's business endeavors. There are many companies that conduct international business. Governments need to communicate with each other and trade exists throughout many countries. There are many languages that are spoken in the world today and sometimes miscommunication can occur. English is a common language spoken in today's world; however, other languages are still dominant.

The ability to communicate in a language other than English or one's native language can be beneficial to the success of a business venture. Learning a language helps one to learn and understand the culture in which that language is spoken. Understanding a culture and learning to speak its language can be very powerful in business communication. Effective communication within the business and its communities is crucial.

Research Questions:

What impact does language have on business communication?

What are the views of foreign language necessity and capabilities of management versus employees?

What is the value and importance of bilingual or multilingual persons within a multinational corporation?

I. Review of Literature

With the continuous changes in the economy, businesses have to adapt to newer technologies and operational procedures to remain competitive. Some companies realize the need to explore other markets for its products and services; as a result, these companies conduct business transactions in international markets. While operating in an international environment, a company faces several challenges, including effective communication in a foreign language.

Communication is defined as “a process by which information is exchanged between individuals through a common system of symbols, signs or behavior (“Communication,”n.d.)” There are components forming the framework for business communication in order to be successful. Communication involves written and verbal aspects, and it is suggested that verbal communication is one of the top competencies needed to excel in a managerial position (Shrivastava, 2012). Companies communicate internally and externally. External communication refers to relationships with persons outside of the company; examples include investors, suppliers, and customers. Internal communication refers to communicating with employees; communication within an organization. It comprises of formal and informal communication. Formal communication refers to letters, memos, and guidelines. Informal communication refers to personal relationships and the exchange of ideas and opinions. Communication can be represented in two forms, verbal and non-verbal (“Different Types of Human Communication,” 2013).

Language is an important aspect of communication; it is the systems of symbols used to communicate. One is able to express thoughts, ideas and feelings through the use of language. According to the Discovery Channel, there are approximately 6,900 languages spoken

throughout the world. The most widely spoken languages in the world, from most popular, are Mandarin, Spanish, English, Arabic and Bengali (“Linguistic Anthropology,” 2011). English may not be the most widely spoken language; however, some businesses consider English to be the official corporate language in business (Pikhart, 2011). With so many other languages in the world, many persons are learning English in hopes of becoming more marketable. What are English only speakers doing to improve their marketability through language skills? In the 2010 U.S. Census Bureau Report, 79.4% of the U.S. population speaks only English (“Language Use,” 2010). Many countries are making it mandatory to learn a foreign language while attending school. Foreign language teaching is compulsory at a young age in several countries including England, Hong Kong, New Zealand, and Singapore (Henry, 2012). President Obama made a statement in 2010, whereby he acknowledged the need to improve foreign language skills among the population. The statement focused on the importance of language as “to prosper economically and to improve relations with other countries, Americans need to read, speak and understand other languages (Overmann, 2011).”

Forbes Magazine reported that only 18% of Americans reported speaking another language than English, while 53% of Europeans are bilingual (“American’s Foreign Language Deficit,” 2012). Many American professionals only speak English, and some are not interested in learning another language (Masie, 2012). At colleges and universities, there is a 47.8% increase in demand and enrollment in foreign language courses. Some programs are being offered to public school students to increase their language instruction. Chicago Public Schools expanded instruction in Chinese language to 43 schools. Some Virginia Public Schools are offering after-school instruction in Chinese and Arabic (“Education and the Language Gap,” 2010). Many

more efforts need to be established to promote foreign language learning in schools. It is easier to learn a language at a younger age (Bhattacharjee, 2012).

Many universities have seen the need for offering its' students the opportunity to learn a language while studying. Career success after graduation is important and universities continue to promote the study of a foreign language as it makes its students more marketable. California State University (CSU) offers a program called the Strategic Language Initiative. The program is designed to educate professionals, who speak languages other than English, on topics of global business, trade and transportation, language learning as well as communicating in international situations. Communities are in need of multilingual professionals. Bilingual persons are needed to serve the U.S. Government and the U.S. Department of Defense has identified a need for federal and academic efforts to improve foreign language education (Reed, 2007). J. Walker performed a study of 194 business schools including 173 U.S. institutions and 21 Non-U.S. institutions. The majority of the schools mandated the study of a language and overseas experience or only foreign language in order to fulfill graduation requirements. Thirty-four percent (the largest percent) of schools required students to learn a foreign language. More Non-U.S. schools mandated cross cultural communication courses. Foreign language study was mandatory for 131 U.S. schools with the majority of students completing at an intermediate level (Walker, 2009).

It has become widely accepted that the lingua franca of international business is English. Internationally operating companies use English as their official corporate language. According to Merriam-Webster, lingua franca is defined as "a language used for communication between two or more groups that have different native languages; it can be thought of as a standard language ("Lingua Franca," n.d.)." Several studies have shown the importance of English in

business communication. A study was conducted with a German multinational corporation to examine the importance of English as a lingua franca. Executives from the company were selected and there was an agreement that English is a necessity for all employees in order to be able to effectively communicate. The managers stated that absolute proficiency was not expected, but the ability to be understood and have communicative skills is essential (Ehrenreich, 2010).

For multinational companies, some problems may arise when the lingua franca is English. It may become difficult for employees to understand each other because they may be native English speakers and non-native English speakers. Lingua Franca is used for business operations; hence employees must speak some degree of the language, and this can be tricky when each employee may have different degrees of competency in the language. In a study whereby Swedish was the language employed as the corporate language, employees felt confident when they needed to speak only in business terms (using specific terminology); however, they had difficulty in acting assertively in negotiations, expressing opinions in meetings and being able to conduct casual conversations (Charles, 2007). Native English speakers are better able to adequately articulate their preferences in business negotiations than Non-Native English speakers. Business English Lingua Franca is aimed to provide essential business communication vocabulary, which can be a downfall if the language is incorrectly articulated. This can affect not only business negotiations, but also have a negative impact on employees (Sweeney, E., & Zhu, H., 2010).

While English may be considered a vital language in business communication, one should not underestimate the importance and value of the other languages that are extensively spoken. Many corporations in the United States of America conduct business transactions

throughout the world. The official language of the U.S. is English. The top 5 countries with which the U.S. trades with include Canada, China, Mexico, Japan, and Germany. Canada's official languages are English and French. However, English is not the official languages of the other top 4 countries. If the top 10 countries that the U.S. trades with are examined, the United Kingdom is the only other country where the official language is English. The other countries include South Korea, France, Brazil and Saudi Arabia (Iseman, 2012).

Languages help businesses compete globally. English is becoming the most common form of "social currency"; however, it is not replacing other languages. Nations are producing executives with not only qualifications, but also ones who have multi-lingual fluency (Schutzler, 2011). The world's emerging economies include Brazil, Russia, India, China and South Africa (BRICS). Many companies look at these countries for foreign expansion opportunities as labor and production costs are lower ("BRIC," n.d. & "BRICS Group," 2012). These nations are ranked among the fastest growing economies in the world. The Economic Times reported in January 2013 that the BRIC economies will lead growth in its economies whereas growth rates in Europe and U.S. remain weak. Businesses have sought expansion in these economies ("China, India to lead 2013 Global Growth," 2013). A study in Thailand investigated the importance of foreign language. It plays a significant role in product export and import. Renowned tourist destinations employ multilingual forms of communication for promotions, provision of services and general running of day to day operations (Thitthongkam, T., Walsh, J., & Bunchapattanasakda, C. (2011).

Communicating and conducting business in countries rely on several aspects, one specifically, language. U.S. corporations are going global for its growth and the ability to communicate in more than one language can provide opportunities to bridge communication

gaps among cultures. Businesses have learnt the dangers of relying solely on English for business transacting. In the 80's, AT&T had difficulties in expanding in Europe; lack of foreign language skills was one of the culprits (Peterson, 2002). Learning a language works in unison with learning about the culture, values and traditions of that type of language and people. Acknowledging and understanding these differences can be beneficial in a business setting (Wolf, M.P., & Kuiper, S., 1989).

While companies work hard to remain competitive in a market, employees also need a competitive advantage in securing employment. One of the most important skills that employers' desire is the ability to communicate and another is global skills including the ability to speak and understand other languages (University of Kent, 2013). The Confederation of British Industry "found that 74% of employers recruit applicants with conversational ability rather than those who are word perfect (Beyene, 2012)." University of Nottingham's research indicates that multinational companies greatly consider language skills when considering applicants. Research proves that language knowledge is valuable in seeking employment (Beyene, 2012). Society for Human Resource Management conducted a survey, in 2012, of more than 1,000 companies throughout the world. Among those companies, nearly 14% hire only multilingual candidates for management position. Twenty-one percent select managers for assignments based on language skills but do not require proficiency. While language is critical for business success, understanding the culture behind that language becomes quite important (Hastings, 2012).

Determining the importance of language in business communication is one of the goals of this research. Figuring out the current language competency and willingness to learn another language is another aim of the research. Business communication and language go hand in hand with each other in order for companies not only to achieve success with it consumers, but also

for employee satisfaction. Language seems to be gaining importance from not only companies, but from governments as well. Governments have seen the necessity to educate their nationals on foreign language; providing additional funding for language programs and making it compulsory to learn a language at a young age are all efforts to improve competence.

II. Method

Sample:

The purpose of the research is to gather information from management and employees on their insight on the value of speaking more than one language in a business setting. Multinational corporations (MNC) will be examined in this research study. Management and employees from hotel corporations, retail trading companies and companies that work with international clients will be a part of the sample. If the MNCs' headquarters are within the United States, they will be contacted. If a MNC is not headquartered within the United States, and one of its offices is in the U.S., that office will be contacted. Random selection is to be used to ensure unbiased findings. There is to be no duplicates of companies or brands under one company.

The total sample (N = 150) will be comprised of management (n = 75) and employees (n= 75). From a company, 10 persons will be interviewed: 5 management staff (supervisors, managers and directors) and 5 employees from different departments. Prior to conducting the interview, the companies will be contacted to inquire concerning their consent to participate in this qualitative phase of the sequential, mixed-methods study. There is to be a total of 15 companies participating in the process.

Instrumentation:

A phone questionnaire will be performed to gather data. A structured questionnaire will be asked to each participant. Questions will include: current languages spoken, willingness to learn a foreign language, and perception of a foreign language. Employment and business communication specific questions will then follow: importance of foreign language ability within a business, language ability for job acquisition and growth within a company, employment of language translators, lingua franca, specifically English, within the business, and difficulty in

communication with foreign companies. The Likert Scale will be used as part of the questionnaire to assess the agreeability with the survey statements. A demographic section will conclude the questionnaire.

Data Collection:

The questionnaire will be performed via the phone and the available times to perform the survey will be predetermined. A total of 10 questions will be asked followed by a brief demographic section. The employment position of the participant will be noted. Three persons will conduct the phone questionnaires and contact 5 companies each; the researcher and 2 fellow colleagues. An explanation of the purpose of the study will be explained to the participants. The phone questionnaire should last no more than 20 minutes per participant. Participants must be thanked once the interview has finished.

Data Analysis:

Analyzing the data will consist of quantitative information such as percentages, means and standard deviations which will be determined for each question. The responses will be categorized by either management or employee responses. Charts and figures will be constructed to access the responses provided by the participants. Once a review of the data is completed, and results are analyzed, a final conclusion will be determined. A t-test will be used to determine differences between managers and employees over the question pool.

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