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Running head: THE LEVEL OF ECONOMIC RETURN OF STUDY ABROAD

A Research Proposal: The Level of Economic Return of Study Abroad Impact on Career
Development

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Abstract

Study abroad is one of the most exciting and challenging experiences someone could engage in their higher education. Some of the benefits of study abroad include the potential of learning a foreign language, increasing knowledge of different cultures, developing communication skills, all of which could help students widen their career paths. Especially as today's 21st Century, global economics is interdependent with business, finance and trade. Therefore, it is more and more urgent for a university education to include more opportunities for students to gain their knowledge of global interdependencies and develop their cross-cultural competency, which eventually helps to explore their personal traits and build new paths to their career development. However, the value of study abroad has rarely been analyzed by its economic returns. The aim of this research proposal is to ascertain through survey methods if there is a statistically significant relationship between the value of study abroad and its actual economic return.

Key Words: Study abroad, international experience, education abroad, career development, career impact, economic return

Statement of the Problem

One of the reasons for students to study abroad is to achieve some career benefits from an international education. Putting study abroad on a resume will usually attract an employer's attention. International experience and cross-culture knowledge they received from study abroad might open some new career choices for them, which might transfer to some actual economic returns.

However, education abroad does not inherently endow a career advantage. It is only perceived as an advantage when the student is able to articulate how he or she has used that experience to obtain the knowledge, skills, and abilities required by the employer. Whether or not today's college students aim to develop a career with international or intercultural aspects, study abroad can play a crucial role in shaping one's career.

Research questions:

What impact has study abroad on career choice and development?

Does the value of study abroad transfer to an actual economic return? If so, is it statistically significant?

Review of Literature

Today's global market demands increased adaptability, cross-cultural sensitivity, political awareness, and intellectual flexibility. According to the American Council on Education (2000), an "international experience" including learning a foreign language, hosting international students, or studying, working or traveling abroad. Employers, especially those running international business, are interested in someone who has this "international experience", the intercultural and interpersonal skills that were strengthened as a result of studying abroad. Thomas Friedman (2006) interprets the outcome of globalization in his book "The World is Flat" as "we are now connecting all the knowledge centers on the planet together into a single global network, which --- if politics and terrorism do not get in the way --- could usher in an amazing era of prosperity, innovation, and collaboration, by companies, communities, and individuals" (p. 8).

In 2002 the Institute for the International Education of Students (IES) conducted the largest known survey of 17,000 alumni who studied abroad outside the U.S. between 1950 and 1999. The primary purpose of the study was to measure the changing impact of study duration, taking foreign university courses, student housing choices, participating in internships, and language study across decades. Dwyer's (2004) study called "Charting the Impact of Studying Abroad" by using the survey data. The study showed that the survey had a response rate of 23%. In total 17% of responders participated in an internship/field placement, which 63% of participators reported their internship experiences influenced their career. Also, a total of 49% of internship participators believed their internship experiences shaped their career choices. Also, students who

participated in internships during their study abroad were more likely to pursue international business. Another interesting finding was the shifting of students' academic interests from the majority majoring in humanities and social sciences to business majors (Dwyer, 2004).

Another study has been done based on this 58 years IES alumni survey, but focused on the results from a pilot study in 1999 (707 alumni) to find some evidence of how study abroad shapes global careers (Dwyer, 2004). The study corroborated the career impact by decade, which yielded statistically significant results of only 40% of the career-related questions; however, nearly all of the career-related data were statistically significant when comparing IES alumni who have pursued global careers with those who have not. According to the study, the differences in the career impact on the global-career and non-global-career alumni are not only statistically significant, but also dramatic. Norris and Gillespie (2009) found out that the group of non-global-work alumni was 55% more likely to attribute their education abroad experience and interest in a career direction they pursued, which suggests that all participants who go on to develop careers with international aspects are necessarily determined to do what they did before studied abroad. The author of the study believed that study abroad might be the key that opens the global career door for up to a third of all participants.

Only few studies have been done in the area of long-term career impact of the study abroad experience. Another study aimed to evaluate if or how study abroad has long-term impact on participants' professional development. The study based on the class of 1998 alumni from Dickinson College, total of 189 study abroad alumni (Franklin, 2010). Within 52 alumni who responded to the survey, 25% of them participated on an

internship during their study abroad experience, which is not consistent with the 51% of IES study abroad alumni found to have participated in an internship during the 1990's (Dwyer, 2004). Moreover, 42% of survey participants strongly agree or agree that their study abroad experience influenced their choice in career, which is significantly lower than the IES alumni study's 63% rate (Dwyer, 2004). Also, in terms of career satisfaction, 39% of alumni strongly agreed to high level of career satisfaction, in which alumni who were strongly influenced by study abroad in terms of career development have the highest level of career satisfaction. However, the study was unable to conclude whether or not student's investment in study abroad has individual long-term economic benefits (Franklin, 2010).

A recent graduates' survey by Kendra Preston (2012) was aiming to understand the potential impact of studying abroad on a recent college graduates' careers. By sending an online survey to all 31,439 alumni who had attended IES Abroad program and graduated from college between 2006 and 2011, only 1,008 valid responses were used in the study. Nearly 85% felt study abroad helped them build job skills, of which 88% felt the study abroad experience was very effective or effective in developing confidence to deal with new skills required for their job; additionally, only 16% of them considered their current job as their career (Preston, 2012). This finding makes people wonder whether or not the impact of study abroad on students' careers has any relationship with their major differences. Orahood, Kruza, and Pearson (2004) found that business students' career choices are heavily impacted by their study abroad experience. Their study showed that study participants were more interested in working for a company with international business than those business students who did not study abroad, 61%

against 27% (Orhood, Kruza, & Pearson, 2004). Another study has been done based on the same survey data. One of the major findings was that studying abroad by business students tends to have more impact on personal growth and development rather than on career choice, because specialization within the business curriculum closely relates to the study abroad experience for business students (Orhood, Woolf & Kruza, 2008). For example, students who major in accounting usually have limited career choices at the beginning of his or her career; also, their career choices are unlikely to be influenced by the study abroad experience.

Even though there are various elements that influence the value of study abroad to each individual, such as major differences, study abroad durations, living conditions, different study abroad destinations, and whether or not student participated in internship. Study abroad could still be someone's lifetime benefit in terms of personal growth, intercultural development, career development and so on.

Method

Research Design and Instrumentation:

The purpose of the research is to find out if students' investment in study abroad has any potential economic benefit. Participants in the study are all Johnson & Wales University alumni from the class of 2002, and compared the results of those who studied abroad on at least one occasion during their years as an undergraduate student with those who had not. They had just passed the 10-year mark of graduation. A 10-year mark is an interesting point for a long-term case study for an economic return because an adequate amount of time was long enough for alumni to settle into a career and attains relatively useful data.

To achieve a valid research design, a sequential, mixed-method (a mixture of qualitative and quantitative methodologies) approach will be utilized to collect the data. This will be accomplished through the use of an online survey and phone interview. The primary instrument used in collecting both qualitative and quantitative was an online survey, which allows for asking both scaled and open-ended questions. Type of questions including: their individual plans after graduation, what are some of the reasons for those who choose to study abroad, whether they indicated international experiences or qualification on their resume and brought up international experiences in interviews, amount of money invested in study abroad, individuals' annual income level, level of study abroad satisfaction, usefulness of study abroad to career development. At the end of the survey, graduate alumni will be ask for their willingness of participant in a 10 minutes phone interview. Whoever agrees to participate in the phone interview will be asked 3

open-ended questions relative to their career achievement since he or she graduated 10 years ago.

Data Collection:

The survey instrument will be administered through an Internet website whose programming will guarantee that participants could submit only one survey in order to increase the accuracy of the data received. The majority of statements on the survey will allow participants to evaluate their agreement on a five-point Likert scale from “Strongly Agree” to “Not Agree”. A scripted email message will be sent to all Johnson & Wales University alumni from the class of 2002 to participate in the study and ask them to complete an online survey with a website link attached to the email. Those who did not complete the survey after the initial email will receive a second email automatically, approximately two weeks later, requesting that they complete the survey. The length of the data collection process will last about one month, and response data will directly enter into a file after participants complete the survey online.

Data Analysis:

The study will exclude responses from international students (F-1 and J-1 visa holders) because the study considers only American students studying overseas. Raw numbers of responses to each question will tally, and percentages based on their responses will be analyzed survey questions. Also, Charts and figures will be constructed to access the responses provided by the participants. A t-test will be used to determine differences between study abroad and its economic return over the question pool. All statistical tests will use the standard alpha level ($\alpha = .05$).

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