

The Competitive Advantages of Language Education and Cultural Knowledge for Graduates

Hans J. Bosscha

BA (Hons) Management & Marketing

Abstract

This article is based on research conducted for a dissertation as part of an honours degree course. The main part of the study consisted of an online questionnaire sent to recent alumni members of a Scottish university seeking their views on the competitiveness of graduates with additional language skills. These findings were complemented by questionnaires with members of staff from the same institution, to identify commonalities and differences. The majority of respondents believed that language skills would be of advantage to them and some who had not studied languages as part of their degree course were now seeking to obtain these skills in other settings. The views expressed by the university's alumni and staff are discussed within the context of published literature on the use and significance of language skills within vocational settings.

Personal Background

Originally from a small city in the Netherlands I have spent the last five years studying and travelling abroad, two of which in Scotland, but I have also spent time in China and Germany. Whilst living abroad amongst different cultures with different languages I experienced the importance of language and cultural knowledge in business-to-business settings on a daily basis. These experiences led to the choice of my thesis.

Data Collection Methods

In March 2008 an online questionnaire was sent out to 2,500 alumni and within a two week period 283 people had completed the form. Alumni were chosen because they had just completed their university studies and it was felt that they would therefore have strong views on the important characteristics one should have to obtain a job quickly. The views expressed by alumni were analysed in light of published research in the area of use and significance of language skills within vocational settings. The majority of respondents were Scottish and native speakers of English. A second questionnaire asked university staff about their views on language education and cultural knowledge in order to compare and contrast these with the alumni views. The appendices give exact details of the responses received from the two questionnaires.

Outcomes

Most of the respondents were working in a manager role for Government or for large companies in the energy sector with an annual turnover exceeding £16m. Although nearly 50% mentioned that English has been the most helpful German and French stand out from all the other languages. For 30% the foreign language spoken is their native one and they use this currently in their career. Keeping this in mind it makes sense that nearly 62% of the respondents have obtained this language skill at another school or classroom setting. Just over one third were using their language skills on a daily basis. Further, more than half of respondents (57%) believed that knowledge of a foreign language had given them at least some, or even a significant competitive advantage. However, almost as many (56%) claimed they had not received any official acknowledgment of value for this skill.

The second half of the questionnaire asked about participants' cultural knowledge. Here, too the goal was to find out how much of a competitive advantage respondents might have gained, in this case by having knowledge of different *cultures*. Respondents indicated that besides their own culture they also have knowledge of the British culture (50%). American, French, German and Spanish cultures were mentioned but knowledge of the British culture was cited as having been the most useful. This makes sense since nearly half (43%) say that their job is based in Scotland. Disappointingly, 57% of the respondents report again that their knowledge about foreign cultures has not received any acknowledgement of value. Yet almost two thirds of respondents felt that they had gained some or even a significant competitive advantage through their cultural knowledge.

A second piece of research was carried out with university staff, in order to compare alumni views with those from university staff on the usefulness of offering language and intercultural education. Over half of the respondents agree that both a foreign language (58%) and having knowledge of a foreign culture (54%) is essential in doing business abroad. Yet only 33% believe that it should be obligatory to take at least one foreign language and a foreign culture course at university. Significantly, only a third believe that knowing a foreign language will afford students any competitive advantage and a further third is unsure as to whether it will do so. At the same time staff respondents did not think that enough time and money was made available to students to allow them to gain foreign language and intercultural skills, and that generally Scottish universities do not invest enough finances in this provision. This is of course just a small sample from one university, and not representative of the whole university sector. However, in light of the student responses further research into the competitive advantage gained by foreign language and intercultural skills would be beneficial.

Language policies within organisations

To exemplify the effect language-related issues might have on large companies I would like to cite the case study of three Dutch-German mergers examined by Olie (2005). Olie contrasts the range of languages spoken by the workforce with the difficulties the three companies encountered over their new "corporate identity" as well as the location of their company headquarters. The example highlights a widespread opinion among both managers and researchers that language is not a subject matter needing serious attention and is a "minor issue".

Olie's paper shows how the two issues of corporate identity, the name of the merged body, and the location of the new company headquarters, took on symbolic significance as tests of the extent to which these were genuine mergers between equal partners, rather than takeovers. The paper describes how each problem in turn was solved, and the outcome. The conflicts over these issues revolved around three clear alternatives. The new name could combine the two old company names with one in front of the other, or else be new altogether. Likewise the company HQ could be located in Holland, Germany, or on neutral territory. It was the presence of these clear alternatives and the necessity of a choice between them that was the deciding factor on these questions.

The question of language selection on the other hand took on a different form. Here the choices at corporate level involved three solutions that paralleled those over name and HQ – the adoption of Dutch, German or else a neutral language such as English as the company language. The selection of any one of these alternatives would also have given the issue of being a symbolic importance, as it did in the case of Nordea, Bjorkmann et al. (2005), another major merger. Instead no such choice was made, and language issues were resolved at an operational level with units adopting the most appropriate solution according to their specific circumstances. By doing this language issues attracted no more than a passing comment by researchers of Rene Olie.

Language selection took on neither strategic nor symbolic significance in the merger processes and remained a complex operational issue with a high situational content. This resulted in the fact that solutions adopted in one organizational scenario had little transferability to others and therefore further research into the question of little value. The suggestion is that language has slipped under the radar as a topic of interest in management literature for three reasons.

First, language has been understood as a corporate issue only as a problem of selection. Second, the problem of the choice over a company language is a relatively straightforward one whose merits are largely settled on a case by case basis and third, all other aspects of language are considered to be operational or technical matters, to be

dealt with by experts in their relevant fields, such as the translation of documents. This explanation stands alongside those offered by Feely & Harzing (2002), who list the cross-disciplinary nature of the field, the predominance of English-speaking researchers with a lower awareness of language, the influence of Hofstede (1980), who approaches culture without any direct reference to language.

Case Study: Sinclair Bay Lobster Company

As part of my research I also conducted a small case study to see how small companies are coping with the language barrier. The case study clearly outlined the main problem Sinclair Bay Lobster Company has. Sinclair Bay Lobster Company is located in Caithness in the north-east of Scotland. The main reason why this company was selected was to explain that language and cultural knowledge is not only an issue for big multinationals but also for smaller companies. In an interview held with Sinclair Bay Lobster Company they mentioned that neither directors nor employees have the time to learn a foreign language well enough in order to set up connections abroad and finding new markets for their product. As a result they are not able to get the money for their product they would be able to get if they were to export to Portugal and Spain themselves. They realize that in order to expand they would need support from someone with foreign language skills. Thus, in this particular case a suitably qualified university graduate (i.e. business studies or marketing) coupled with Spanish or Portuguese language skills might have been able to get a job almost instantly with a company that has considerable potential for expanding exports.

Concluding Remarks

The main goal of this study was to critically analyse the competitive advantage of Language Education and Cultural Knowledge in future career opportunities for graduates. Research to date suggests that Scottish graduates and businesses are still struggling to cope with foreign languages. By the time Scottish graduates enter the labour market they find themselves with a lack of foreign language and/or intercultural skills. Both Alumni and staff respondents of the University that has been used for this study agree that having a foreign language skill is essential in doing business abroad and that having a foreign language skill improves the competitive advantage of graduates. The case study by René Olie shows that employees still cope with language difficulties on an operational level. It is clear that without a clear base to start from, it will be difficult to introduce foreign language and intercultural education. On the other hand it will enhance peoples' opportunities in the global labour market and therefore should be seen more as an opportunity than a problem.

This study is mainly focused at alumni from one University. There is therefore a need to conduct a nationwide research into this field. Secondly,

Scottish universities and the government should consider how they can provide native English speaking graduates with opportunities to improve their language and intercultural skills. Perhaps one answer lies with those current students at Scottish universities themselves. After all, if they call for language and intercultural skills to be part of their university education there will be a stronger incentive for policy makers to take heed. I hope this article is helping to make the case for such a call.

References

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Appendix 1: Alumni Responses

1. What is your native language?	
African	0.4%
English	72.1%
German	3.9%
French	0.7%
Spanish	0.4%
Polish	0.4%
Dutch	1.1%
Russian	0.7%
Italian	0.7%
Swedish	0.0%
Chinese	5.7%
Japanese	0.0%
Portuguese	0.4%
Other	13.8%

2. I am a native of	
Africa	1.1%
Scotland	57.0%
Other European Country	22.8%
USA/Canada	1.1%
Middle East	3.0%
Asia	13.3%
Latin America	1.1%
Australia	0.4%

3. Which foreign language(s) do you speak?	
Arabic	1.9%
Chinese	4.6%
Japanese	0.4%
French	40.7%
German	19.0%
Spanish	9.9%
Portuguese	2.7%
Italian	3.4%
English	34.2%
Russian	2.7%
No other	20.9%
Other	18.6%

4. Which foreign language has helped you the most at work?	
German	17,3%
Arabic	1,2%
Chinese	1,6%
Japanese	0,0%
French	25,5%
Spanish	5,3%
Portuguese	1,6%
Italian	2,1%
English	49,8%
Russian	1,6%
Other	4,9%

5. How well do you speak this language?	
Like a native	30.0%
Fluent in most business and social situations	19.8%
Can communicate quite well	16.5%
Basic survival level	22.2%
A few words or phrases	11.5%

6. At what point(s) in your career was this foreign language most helpful to you? (please check all that applies)	
When I was hired	39.0%
Early years	41.5%
Mid career	24.9%
Currently in my career	50.2%

7. How did you learn this foreign language? (please tick the three most important sources)	
Family	21.2%
Friends	16.3%
University	8.9%
Other school or classroom setting	61.6%
Travel	19.7%
Living Abroad	33.5%
Other	13.8%

8. How often do you use foreign language skills at work?	
Daily	34.8%
Frequently	11.4%
Occasionally	11.4%
Seldom	19.9%
Never	22.4%

9. How much of a competitive advantage have your foreign language skills given you on the job?	
Significant	36,8%
Some	22,9%
None	40,3%

10. How have you used your foreign language skills at work? (check all that applies)	
Conversations	62.8%
Presentations	32.4%
Email	48.9%
Meetings	40.4%
Reports	33.0%
Negotiations	33.0%
Don't use	23.9%
Other	16.5%

11. How has the company valued your foreign language skills? (please check all that apply)	
Written or oral recognition	26.1%
Raise	5.3%
Promotion	8.5%
Travel opportunities	12.2%
Overseas assignment	13.8%
No acknowledgement of value	56.4%
Other	8.5%

12. If I had time to learn another language it would be	
Arabic	5,9%
Chinese	8,0%
Japanese	7,5%
French	17,1%
Spanish	24,6%
Portuguese	1,6%
Italian	15,0%
English	0,0%
Russian	5,9%
German	10,7%
Other	3,7%

13. Do you plan to study another foreign language, or improve your existing language skills within the next 12 months?	
Yes	28.3%
No	55.1%
Probably	16.6%

14. What culture(s) other than your own are you familiar with? (Please tick all that apply)	
American	48.7%
Arabic	11.8%
English	50.3%
Chinese	17.1%
French	42.8%
German	27.3%
Japanese	12.3%
Portuguese/Brazilian	5.9%
Russian	7.0%
Spanish/Latin American	20.9%
African	12.8%
Other	32.6%

15. Of all the cultures you are familiar with, which one has been the most valuable in your career?	
American	16.8%
English	44.6%
Arabic	1.1%
Chinese	2.7%
French	9.8%
German	4.3%
Japanese	0.5%
Portuguese/Brazilian	1.1%
Russian	0.5%
Spanish/Latin American	2.7%
African	1.6%
Other	14.1%

16. How familiar are you with this culture?	
Like a native	26.1%
Very familiar	35.3%
Somewhat familiar	26.6%
A little familiar	10.3%
Barely familiar	1.6%

17. How often do you use your understanding of culture(s) at work?	
Daily	29.3%
Frequently	29.3%
Occasionally	25.0%
Seldom	10.9%
Never	5.4%

18. How has your knowledge of other culture(s) helped you at work? (please tick all that apply)	
Feel comfortable with people and culture	70.0%
Understand business environment	48.9%
Work on multi-national teams	39.4%
Gain respect and credibility	37.8%
Function better in country	37.2%
Reduce change of misunderstanding	58.3%
Enhance negotiation process	29.4%
Has not helped	8.3%
Other	5.6%

19. How has the company valued your cultural knowledge? (please tick all that apply)	
Written or oral recognition	19.4%
Raise	2.8%
Promotion	6.1%
Travel opportunities	21.1%
Overseas assignment	16.1%
No acknowledgement of value	57.2%
Other	5.6%

20. How much competitive advantage has your cultural knowledge given you in your career?

Significant	28.1%
Some	34.8%
None	37.1%

21. If I had time to learn about another culture for business purposes it would be

American	5,1%
English	1,1%
Arabic	5,1%
Chinese	17,4%
French	9,6%
German	11,8%
Japanese	15,2%
Portuguese/Brazilian	1,7%
Russian	5,1%
Spanish/Latin America	12,4%
African	3,4%
Other	6,7%

22. What is your gender?

Male	49.1%
Female	50.9%

23. My job is based in

Scotland	42.7%
Other european country	33.9%
USA/Canada	4.7%
Middle east	2.9%
Asia	13.5%
Latin America	1.2%
Australia	1.2%

24. What is your job title?

President/CEO	0.6%
Vice president	0.6%
Business owner/Entrepreneur	4.7%
Director	8.8%
Supervisor	3.5%
Manager	20.5%
Assistant Manager	5.3%
Other	56.1%

25. How much time do you spend on international business?

75% - 100%	14.0%
50% - 74%	10.5%
25% - 49%	18.1%
0% - 24%	57.3%

26. My company has annual sales of

Under £ 1,000,000	26.9%
Between £ 1,000,000 and £ 5,000,000	15.2%
Between £ 6,000,000 and £ 10,000,000	6.4%
Between £ 11,000,000 and £ 15,000,000	10.5%
Above £ 16,000,000	40.9%

27. What is your income range?

Under £ 20,000	18.7%
£ 20,000 - £ 30,000	26.9%
£ 31,000 - £ 40,000	19.9%
£ 41,000 - £ 50,000	13.5%
£ 51,000 - £ 60,000	7.0%
£ 61,000 and above	10.5%
no answer	3.5%

28. The industry I work in is

Automotive	0.0%
Banking/Financial Services	4.7%
Consulting	8.2%
Consumer products	2.9%
Diversified	1.2%
Energy	15.2%
Government/Non-profit	15.2%
Health Care/Pharmaceutical	9.9%
Industrial Products/Manufacturing	4.1%
Marketing Services	0.6%
Technology	7.0%
Telecommunications	3.5%
Transportation	2.3%
Other	25.1%

29. "I believe that proficiency in a foreign language is essential in doing business abroad."

Strongly agree	48.5%
Agree	32.2%
Neutral	11.1%
Disagree	7.0%
Strongly disagree	1.2%

30. "It should be obligatory to take at least one foreign language in secondary school."

Strongly agree	71.3%
Agree	18.7%
Neutral	4.7%
Disagree	3.5%
Strongly disagree	1.8%

Appendix 2: University Staff Responses

Please indicate to which extent you agree with the following statements

1. "Proficiency in a foreign language is essential for doing business abroad."	
Strongly Agree	20,8%
Agree	58,3%
Neutral	0,0%
Disagree	12,5%
Strongly Disagree	8,3%

2. "It should be obligatory to take at least one foreign language at university."	
Strongly agree	16,7%
Agree	33,3%
Neutral	8,3%
Disagree	29,2%
Strongly Disagree	12,5%

3. "Proficiency in a foreign culture is essential for doing business abroad."	
Strongly agree	41,7%
Agree	54,2%
Neutral	0,0%
Disagree	0,0%
Strongly disagree	4,2%

4. "It should be obligatory to take at least one foreign culture course at university."	
Strongly agree	12,5%
Agree	33,3%
Neutral	12,5%
Disagree	29,2%
Strongly Disagree	12,5%

5. "I believe that Scottish students will gain more of a competitive advantage in their future career opportunities if they had a language course at University."	
Strongly agree	37,9%
Agree	26,3%
Neutral	12,6%
Disagree	9,5%
Strongly disagree	13,7%

6. "Scottish universities should invest more time and money to allow students to study a foreign language."	
Strongly agree	38,9%
Agree	34,7%
Neutral	17,9%
Disagree	0,0%
Strongly disagree	8,4%

7. "Scottish students will gain a competitive advantage in their future career opportunities if they had a foreign culture course at University."	
Strongly agree	30,5%
Agree	16,8%
Neutral	30,5%
Disagree	17,9%
Strongly disagree	4,2%

8. "Scottish universities should invest more time and money to allow students to study a foreign culture course."	
Strongly agree	34,7%
Agree	13,7%
Neutral	34,7%
Disagree	4,2%
Strongly disagree	12,6%

9. "At present Scottish universities do not invest enough money in foreign language and foreign culture education."	
Agree	60,0%
Disagree	18,9%
Don't Know	21,1%

