



THE LANGUAGE FLAGSHIP

Creating Global Professionals



BUSINESS FOR DIPLOMATIC ACTION

Building New Bridges to The World

METRO LANGUAGE SERIES

SEATTLE

JULY 22, 2008

INTRODUCTION

On July 22, 2008 eleven representatives from businesses in and around the Seattle area convened to share their insights about the need for professional-level language and cultural skills in their businesses, be it for global or domestic markets and management. Participants contributed to the *Metro Language Series* which is co-sponsored by The Language Flagship, an initiative of the National Security Education Program at the U.S. Department of Defense; and by Business for Diplomatic Action, a non-partisan, non-profit, private sector organization. This session in Seattle was the second in a four-part series being conducted around the U.S. in 2008.

Below please find a brief overview of the participants' experiences, insights, and inspiration as it informed the discussion about the actual need for foreign language and cultural skills in the business sector and the role business can play in developing global professionals. Participants brought a broad range of experience in terms of their corporate responsibilities including large engineering projects around the world; human resource development and management; global marketing/sales/communications; software development with global collaboration; travel; and domestic workforce management. Participants represented the following companies and organizations:

- Athena Marketing International LLC
- BoeingCH2M HILL
- Merrill Lynch
- Microsoft, Inc.
- Starbucks Coffee Company
- TCS Expeditions
- Trade Development Alliance of Greater Seattle
- U.S. Bank
- Washington State Department of Community, Trade & Economic Development (CTED).

SUMMARY OF NOTES

LANGUAGES THAT IMPACT YOUR BUSINESS: WHICH AND HOW?

Participants were asked to list which languages are of interest to their organization, currently (be it for global markets and workplaces; or domestic markets and workplaces). They then listed which languages they felt would be of interest five years from now.

Current Languages Needed (“*” denotes special emphasis on these languages)

- Spanish*
- Chinese*
- Hindi-Urdu*
- Russian*
- Brazilian Portuguese*
- French (Africa)*
- Polish*
- Arabic
- Japanese
- Korean
- Vietnamese

Languages Need in the Next Five Years

- Vietnamese
- Malaysian
- Thai
- Chinese (mainland focused) – as Lingua Franca in Asia
- India – still can use English but cultural differences are a challenge
- Spanish – both globally and domestically

Note: emerging markets and manufacturing areas are important areas that will require language skills.

YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE

Participants were asked to generate, in writing, the top three usages of language skills in their corporations or those of their corporate clients. A discussion with additional points ensued. Note that each point made by a participant, either written or during discussion, is denoted as a separate point. The following is a compilation of those various ideas.

Business Development

- Business development
- Business development
- Business development
- Business development with foreign companies overseas
- New business and customers
- Finding partners

YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE – CONTINUED

Business Development

- Learn the culture when you learn the language
- Client education events need cultural understanding
- Helps when both parties speak the local language, especially when selling products

Marketing

- Marketing
- Promotion / marketing
- Marketing and communications, especially the Web
- Localized marketing materials
- Marketing

Communication / Culture

- Communication with global partners
- Communication
- Problem solving in emergencies
- Logistics
- Daily management of diverse workforce
- Localization of products
- Client relations: clarify negotiations with native client representatives to English
- Ecosystem
- Cultural understanding
- Enhancing our customers' experiences in country
- Inquiries and problem resolution

YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE – CONTINUED

Employee Relations / Communications / Culture

- On-going, everyday communications with a diverse workforce
- Challenge: lack of respect to other cultures and other places (even within the U.S.)
- Global work teams: don't try to micro-manage - let language groups work on their own and report back
- Cultural awareness will drive language learning
- Globalization: language is only one piece

Customer Service

- Customer and client services
- Customer service
- Customer service

Translation

- Employee relations: connecting English instructions to the employee's native language
- Rough translation: native language documents from design centers, etc. into English

Negotiations

- Supplier negotiations
- Business negotiations
- Negotiating contracts for in-country services
- Negotiations for MOUs

PURPOSE AND LEVEL OF USAGE

Participants were asked to discuss what level of language and cultural skills are needed in their business dealings. The following notes reflect that discussion.

- Having people who know the language and product is critical – not just using translators
- Using translators for contracts and localization of product: not always a good translation and hard for marketing use
- If they are not in that technical field, it's hard to translate
- Efficiency: loss of time using translators
- Translation – hard to get the “culture” translated
- Using foreign immigrant returnees who use their language to be language speakers overseas
- Need to understand body language (not just translate)
- Overseas universities are training interpreters to be full professionals – not just translators
- Cost of a returnee vs. hiring in-country
- e.g., U.S. Bank - hire people here in U.S. who have the cultural and language skills to deal with China
- Attracting foreign students to State of Washington
 - 300M revenue into WA state because 12,000 international students coming in
- Customer Service
 - e.g., selling software in China
 - e.g., travel industry
 - to build a local product, need a whole ecosystem of understanding
e.g., Starbucks support centers staffed with locals, started with expatriates, but now grooming locals with intense training)
 - U.S. customers expect to be treated like VIPs and it is hard to get the quality of service issue across to local teams in country
 - Use people (advanced team sent to country) to do set up
 - e.g., Beware of asking for something in Chinese that does not exist culturally. You need to be able to understand this cultural context
 - Answering the phone in clients' language, crosses barriers; customers are then able to critique, in their own language, the product or service they are receiving
 - Advantage: perception among potential customers that our company is multi-lingual/cultural (therefore choose us over our competitor).
 - Challenge: with diverse languages in the U.S., it is hard to sell services without language skills

PURPOSE AND LEVEL OF USAGE – CONTINUED

- Some companies have directory of their employees with language skills (e.g., Merrill Lynch, U.S. Bank, Boeing-voluntarily disclose language skills)
- The most overstated aspect of someone's resume is language (e.g., often the receptionist is the first touch point for a company and yet they have NO understanding of other cultures, let alone languages.)
- Diverse domestic workforce challenge: English as a second language for our employees. It is hard to take the time to work with those who need additional training in English; thus hard to communicate fully with our domestic workforce at times.
- Building "Big Things" (like engineering projects) requires language skills during different phases
 - Development phase
 - Building for suppliers: some new, some old
 - Diverse workforce: design, building, management
- Management challenges: no requirements are coming down from management as yet to change/educate the workforce
- Management understands the need, but given that it is a "soft" issue, the imperative for change just now is not there.
- Having patience to deal with employees with accents
- Human Resources Services
 - Band-aid approach of taking a central corporate approach to HR and making it work outside of the U.S.; it often is not effective in other cultures and countries
 - Software for human resources: localization of human resources software

OPPORTUNITY COSTS TO YOUR BUSINESS, CLIENTS, AND STAFF

Participants were asked to discuss what losses they perceived in their business dealings if they do not have adequate language and cultural skills available to them. They were also asked how they can measure and value this loss to their company. The following notes reflect that discussion.

- Poor contract terms
- Fear of entering an emerging market
- English requirement eliminates good native talent – inability to staff means lost business
- Client/potential client's needs not fulfilled
- Hiring/retention (an Indian colleague left)
- Being overcharged and underserved

OPPORTUNITY COSTS TO YOUR BUSINESS, CLIENTS, AND STAFF - CONTINUED

- Targeting certain ethnic populations – function of marketing strategy
- Budget constraints
- Competition from the Feds
- Regional distribution in South America
- Not using the best talent and resources
- Design/manufacturing efficiency (relationship / respect)
- Inefficient agreements
- Delay of product implementation
- Talent acquisition
- Small software company underestimating importance of product adaptation when going into Japan (e.g., sales)
- Lack of money for localizing marketing materials
- e.g., aviation schools in state of Washington: many Washington schools were scared off of going for global students because of provincial thinking; e.g., forms written in Chinese which the American aviation companies could not read; fear of having non-U.S. clients and then having to teach them to fly when they do not speak English well.
- Need to build relationships with local partners overseas, especially indigenous languages; press covering U.S. businesses is not always accurate or favorable.
- Problem: There is a laziness in communications throughout U.S. society. But “communication is connection” – there is a perception that technology trumps personal relationships; and this is not helpful for building long-term relationships in business.
- Attitude that we have to hire right here in Redmond, WA, rather than Silicon Valley or beyond, yet it may cost more, or it may not bring the right “people” to your project.
- Americans lack respect and modesty. The U.S. is just so large with a legacy of not needing to learn about other countries.
- Problem: U.S. is “young” and acts like a “teenager” in world.
- Problem: U.S. does not have a national education policy
- There is a “War for Talent” re: finding technical people: cost of corporate “travelers” and of training locals up.

CURRENT SOLUTIONS TO YOUR NEEDS AND CHALLENGES

Participants were asked to describe how they respond to language and cultural challenges currently. The following notes reflect that discussion.

- Domestic: bringing in consultants for our management team re: cultural differences (not language per se), and it is hard to measure
- Look to truly global companies as examples for how U.S. companies can deal or act overseas (Nestle and IBM are truly global)
- Quandary: Identify technical folks in the U.S. and get their language and cultural skills up; or acquire overseas people with language skills and raise their technical skills. The supply is not there for the U.S.
- Challenge: industry often does not talk with universities to tell them what kind of graduates they need.
- Problem: selecting a partner overseas based solely on language ability rather than a good fit with our corporate values
- How do we change a corporation to act globally? What steps do we need to take?
- Go into immersion programs in the U.S. and overseas and pull out talent.
- Problem with restricted visas in the U.S. blocking our access to talent.
- We tend to manage on a point-by-point basis rather than strategically
- For a small company, we do incremental outsourcing. But for future, looking to hire people with language and cultural skills
- Strategic partnering within Merrill Lynch – in the U.S. and abroad, partnering to service clients
- It is important to set criteria for selecting business partners which is in alignment with one's own corporate values and human resources values – throughout the world
- Maintain the Starbucks culture – but adapt it locally
- Broadening our own mindset within our own small company by recruiting employees with "global" awareness." We could also implement plans to educate executives about different cultures and the challenges of dealing internationally (e.g., one year an executive needs to run their business remotely which teaches them to "feel the pain" of dealing with employees and contractors from around the world)
- Having students getting passports – making this an essential part of their education – and their resumé

RESPONSES TO BUSINESS' CHALLENGES

The co-sponsors of the Metro Language Series session briefly reviewed what their respective organizations are coordinating in terms of cultural communications assistance and advanced language acquisition.

- Business for Diplomatic Action: *Building New Bridges to the World*
Ms. Cari Guittard, Executive Director, Business for Diplomatic Action
<http://www.businessfordiplomaticaction.org>
- The Language Flagship: *Creating Global Professionals*
Dr. Michael Nugent, Deputy Director, National Security Education Program; and
Director, The Language Flagship
<http://www.thelanguageflagship.org>

WHAT ROLES CAN BUSINESS PLAY TO AFFECT CHANGE?

Participants discussed what role the business sector, individual businesses, and business people can play to help prepare the next generation of global professionals. The following notes reflect that discussion.

- Executive leadership study programs
- Lobbying to change U.S. policy re: visa regulations
Problem: U.S. is not coming off as a “welcoming” country
- Question: where does Flagship want to be in 10 years?
K-12 programs: universities need to demand these skills
- Roles: inform universities about what these companies need
- U.S. business should try to help set a national language standard:
 - engage K-12 and higher education
 - engage business with The Language Flagship Group
- Companies need to be engaged – and vocal – about the value of language and cultural skills
- Do we think that corporations are aware of the need? Can we educate corporations?
- Create awareness among corporations about language and cultural needs
- One suggestion: “champions” need to go to their managers and change their mindset
- Get businesses to speak to K-12 to tell them what the companies need
- We need to establish the ROI for business, articulate it and take action

WHAT ROLES CAN BUSINESS PLAY TO AFFECT CHANGE? – CONTINUED

- Businesses can create “the pull” for students
 - Creates demand
 - Creates buzz and awareness
 - Creates interest among students, parents, institutions and business
- Create branding around alumni
- What is the wishlist for the private sector?
 - Support and make available internships, especially overseas
 - Donate money for student scholarships, even with student service requirements institutionally or at a national level

NEXT STEPS

Future Metro Language Series 2008 Locations & Dates

- New York September 24
- Washington, D.C. October 14

Call for these participants to suggest other colleagues to engage with the Metro Language Series in the future to broaden the dialogue to include more companies and participants with a variety of backgrounds in the corporate world.