



**THE LANGUAGE FLAGSHIP**

*Creating Global Professionals*



**BUSINESS FOR DIPLOMATIC ACTION**

*Building New Bridges to The World*

## **METRO LANGUAGE SERIES**

**SAN FRANCISCO**

**MAY 29, 2008**

### **INTRODUCTION**

On May 29, 2008 nine representatives from businesses in and around the San Francisco 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.

Below please find a brief overview of these participants' experience, insights, and inspiration as it informed the discussion about the actual need for foreign language and cultural skills in the corporate 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 human resource management, global marketing/sales/communications; global research collaboration; international trade regulatory issues; and domestic workforce management. Participants represented the following companies and organizations:

- Caspio, Inc.
- Coopetition, Inc.
- Fedex
- General Motors
- Hilton
- IBM
- Oliva Global Communications
- Protostar Ltd.
- UPS.

## **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**

- Chinese
- Japanese
- Spanish
- German
- French
- English
- Arabic
- Hindi-Urdu
- Russian/Slavic
- Portuguese/Brazilian
- Turkish
- Italian
- Vietnamese
- Bahasa

#### **Languages Need in the Next Five Years**

- Arabic
- Hindi-Urdu
- Russian
- Portuguese/Brazilian – based on expansion to their networks
- African languages – opening operations at various locations where they know English, but need to bridge gap with their language
- Chinese – will become one of the key “second languages” instead of English

### **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.

#### **Branding & External Communications**

- Customer Communications (sales collateral, Web, phone)
- External communications (e.g. advertising)
- “Decoding” skills (i.e. general communications and ability in multi-cultural enterprise)
- Communication with foreign governments (verbal and written)

## **YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE – CONTINUED**

### **Branding & External Communications -- continued**

- Client communications
- Customer-facing communications (e.g. customer service, marketing)
- Build brand awareness of all the company's brands
- Advertising overseas and domestically (e.g., Spanish integral in California)
- Sensitivity to culture and major ad campaigns
- Signage in a variety of languages
- Branding of hotels in new markets
- Power of imagery / symbolic translation, colors, font used in branding and advertising
- Getting info in around the world, relying on foreign locations for translations
- America.com: a service that translates coverage of U.S. from overseas; useful, but is only in a few languages
- News media: tracking your brand in different cultures
- Need to hit the right balance of your core brand while using global languages
- The story of how “nothing worked terribly well and it was all very expensive”
  - Using in-country help
- Using online tracking and translation is expensive and not always context correct
- IBM's Business Insight Workbench (BIW) – auto translation with a challenge to parse meaning structured data analysis; workbench for a sophisticated analysis, like language translation, but need to create specialized templates; works as well as translators
- Concept of customer loyalty in a new culture is challenging and one needs to understand the culture in terms of language and imagery (i.e. colors ...)
- Global ad agencies and in-country agencies don't have the expertise in-house. It's more cost-effective but one still needs an in-house manager.
- Need experienced, global in-house managers/proper team to communicate languages with American/corporate team (need branding/marketing background WITH language experience to understand message vs. just translate without knowing the brand)

## YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE – CONTINUED

- In-country manager to hire translators and engage a global ad agency
- Challenge: transitioning from U.S. managers to in-country: sometimes worked/sometimes failed - needed to bring U.S. managers back in to the foreign country to straighten things out and/or to bring the management standards back to those of corporation.
- Implementing your corporate culture in other countries – or not! How to adjust...

## Contract Negotiation

- Negotiation
- Mandarin is required for contract negotiation in China
- Understanding language = understanding cultures, therefore creates success in negotiations, writing of winning contracts for revenue and ROI for the company
- Acquiring new customers
- Not knowing how to structure and write the contract in the language with proper business context.
- How companies are outsourcing these tasks (e.g. group of lawyers → U.S. firm → local firm → country managers)
- Challenge especially for Small- and Medium-size Enterprises (SMEs): can't afford an expatriate, don't trust the locals; how to enter a new market
- Challenge: establishing trust (trust = sales)
- Moving from being a “multi-national company” to a “fully-integrated global company” (e.g. call centers integrated with technical expertise; moving expertise to another country)
- Pain Points:
  - *Management Teams* (misunderstandings of what needs to be done by management teams overseas and by teams trying to manage from the U.S.)
    - The “conversation” itself needs to be improved – not just fixing one side of the management equation.
    - Different styles between corporate headquarters and other workforces around the world
    - Outsourcing: R&D, Marketing strategy: regulatory compliance because of cost, skill set, and other needs

## **YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE – CONTINUED**

- Need people who can manage all of this
- (e.g. VISA IPO ended up having Visa USA, Visa EU, etc. because Visa USA perceived as not collaborative)
- SMEs' Challenges: there are lots of opportunities to open up overseas; however, the SMEs get slowed down in developing into new markets, this impacts companies like FedEx and UPS as they are losing these potential clients overseas.
- SMEs "are screwed": they should write their business plan to be global from the very beginning; it's not just a language issue
- SMEs feel like the U.S. or other state or government agencies not as helpful re: opening up overseas; they need help.

## **Employee Relations / Communications**

- Hiring local, in-country workforce to work in new hotels in new markets
- Manage staff; training and informing them
- Documentation
- Dealing with call centers and call center management
- Domestic employee hiring and training (e.g. UPS does training in English, especially from a safety and compliance viewpoint)
- Workforce reflects community, but not always higher up the employment chain
- Servicing communities that do not speak English
- Drivers need to interact on a daily basis with other language communities
- Is the driver's language pertinent in the community they service? (e.g. in San Francisco, mainly Cantonese & Mandarin drivers servicing Chinatown)
- Language-based communities not buying into corporate culture
- UPS online in 22 languages for customers; but employee portal in English only
- Training in Hilton: requirement of speaking English for front office job  
Now re-thinking this requirement in small cities for lack of finding candidates who speak English  
Challenge: "translating" the notions of hospitality in other cultures

## **YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE – CONTINUED**

### **Employee Relations / Communications -- continued**

- Call Centers: in-house vs. outsourced
- Online customer service: infrastructure set for different languages and cultures
- Using the correct and current words to communicate in call centers and online customer service areas vs. “proper” language

### **Translation**

- Translation into English

### **Enterprise Needs**

- Vendor management and supply chain management
- Trade compliance / regulatory
- Making the globally integrated enterprise work

### **Government Requirements & Documents**

- Requires specialized language skills
- Having language skills “on the side,” to help understand in meetings, negotiations and conference calls when the other party is speaking a foreign language; helps to interpret the tonality of the discussion or a particular phrase
- Trying to sell an American product the “American way” does not always work. How to deliver what the country and culture values – not what the U.S. / American company thinks
- Religion will become important for business to understand
- Adapt your product to what the culture wants

### **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.

- Losing a multi-million dollar deal because of lack of understanding on both sides / ROI loss / business loss, and therefore, losing our U.S. “edge”
- “Blowing” relationships by not understanding the country’s needs
- How to be cost- and time- efficient in managing a global program/product of regional relevance, primarily for service companies that need to drop a product/program and then stay
- Restrictions of U.S. Government hindering business relations and with other countries
- How to explain these attitudes and regulations to our foreign colleagues
- Hidden cost of coordination of cross-cultural / national projects → need social capital and social cohesion to make this all happen; these costs are increasing
- Not-so-hidden costs: travel costs; video conferencing needed
- FedEx: loss of customer trust regarding the database with regulatory information; lack of trust = loss of revenues
- Working with local governments and regulatory issues; lost time it takes dealing with issues delays full usage of company’s service or product
- U.S. companies being increasingly less efficient in dealing overseas
- There are more business options beyond the U.S. to “close the deal”
- A lot of American companies are not prepared to be truly global: we have to ask ourselves what do we do well where other countries are doing so much better (manufacturing , IP, Sales)
- Problem: Visa restrictions harming U.S. I.P. growth

### **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.

- Hiring in-country agencies / translation
- In-country personnel with manager
- Hiring your own people in the U.S. can speak the language and interface with in-country for staff “cultural sensitization”
- In situ cross-organizational collaborative learning
- Need to reform visa and green card program
- Slow down when speaking English to someone – cross-cultural awareness
- Bring U.S. & global teams together at least once per year so they can interact face to face. This helps for the communications throughout the year that have to take place virtually.

### **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. Robert O. Slater, Director, National Security Education Program  
<http://www.thelanguageflagship.org>

### **Ideas and Discussion Points**

- Research hiring needs of companies
- Placement assistance for graduates that will help with career development
- Issue of compensation to graduate/employee because of language skills (classification and differential for those with language skills)
- How to engage the business sector to change education system in the U.S.?
- Overcoming the attitude that businesses think, “Oh, we do our business in English.”
- Change the perception of the value of languages within your corporation



## **RESPONSES TO BUSINESS' CHALLENGES – CONTINUED**

- Change the education system and more businesses aware of this resource to them
- Challenge: competing interests re: language skills, math & science skills, logistics – what about career training?
- Parents' perception of "quality education", including language and cultural studies
- How do you develop a global mindset? (within your company, among parents, among students)
- Funding corporate day care programs (e.g. Google's multi-lingual day care)
- We need good communication skills in English!
- Don't lose sight of the importance of English.

## **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.

- Large companies/enterprises need to engage and support the effort
- Engage in a national dialogue, making "The Movement" more visible
- Bring business champions forward
  - Give visibility
  - Get posts for business people in the government
  - David Kerns from Xerox was a leader in bringing math and science education to U.S. educational system; we need a similar champion for language and culture
- Identify thought leadership opportunities for business leaders
- Illuminate best practices within businesses re: language and cultural skills
- Summer internships; link with corporations
- Emphasize meaning of "professional proficiency" and how that embodies the knowledge of the culture
- Speak with Human Resource conferences and groups

## **NEXT STEPS**

### Future Metro Language Series 2008 Locations & Dates

- Seattle                      July 22
- 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.