The world is getting smaller, flatter, and more interconnected. Globalization has transformed the corporate business world. This change has thrown open a door of opportunity to students and speakers of multiple languages, as those skills have become increasingly critical for successful businesses.

The Belgium company InBev’s purchase of American icon Anheuser-Busch in 2008 created headlines, but it was just part of a larger trend. Foreign ownership of U.S. companies more than doubled between 1996 and 2005, according to an analysis of U.S. tax data by Grant Thornton LLP. Among the foreign-owned U.S. businesses are many very American brands, like Good Humor and Ben and Jerry’s (owned by British-Dutch conglomerate Unilever PLC), Trader Joe’s (owned by German company ALDI), 7-Eleven (owned by Japanese company Seven and I), and Holiday Inn (owned by Britain’s Inter-Continental Hotels Group).

All this means that language learners are ahead of the game when they enter the workforce. “In a world in which there are more foreign companies operating in the United States and more of our companies operating abroad, there will be an employment edge for those people who have exposure to foreign languages and other cultures,” says Charles Kolb, president of the Committee for Economic Development (CED).

In 2006, CED published a report titled, Education for Global Leadership: The Importance of International Studies and Foreign Language Education for U.S. Economic and National Security. The report warns that the United States will become less competitive in the global economy because of declining quality language education at the college and high school levels. While knowledge of other languages and cultures is an economic necessity, U.S. employees currently lack language skills and international knowledge.

For those who already possess language skills and international experience, the report did have some good news. In one survey of human resource managers, participants reported that proficiency in a second language was a consideration in hiring decisions at 42% of firms, and 66% considered it in making retention decisions. Employees who demonstrate cultural competence are more likely to be selected for and perform well on global teams, which can lead to greater success and advancement within the organization.

Nido Qubein knows a thing or two about international business, having immigrated to the United States as a teenager with limited English skills, no contacts, and little money. Today he’s president of High Point University, chairman of the Great Harvest Bread Company, and a sought-after speaker and consultant. Kolb and Qubein have both spoken at past ACTFL Conventions and shared their views on why they believe language study is vital for our national business outlook.

“As our world becomes even smaller, given our communication media and technology, one can sell more, lead more, and inspire teams more with an appreciation for language skills,” Qubein says. His own son speaks five languages and has traveled to over 100 countries, making him, according to Qubein, the perfect example of an American who understands intercultural ways, acknowledges the value of being multilingual, and enjoys the enormous benefits that come from his “language interests.”

In 2008, The Language Flagship and Business for Diplomatic Action (BDA) hosted a series of corporate roundtables on the language needs of business. BDA is a private-sector apolitical nonprofit dedicated to enlisting the U.S. business community in actions to improve the standing of America in the world.

“It was a really frank dialogue,” says Cari Guittard, executive director of BDA. “Out of those discussions, without a doubt, it was clear that language is seen as a critical skill that global business leaders and global companies highly covet. What is amazing now is
that almost everyone is a global business, whether you are a small to medium enterprise or a global enterprise.”

For Nate LaMar, language has been a driving force of his career and success in international business. Throughout his education, he accumulated languages the way some people collect coffee mugs. At his high school in Indiana, LaMar was the only person ever to graduate with four years in both French and Spanish. (Unfortunately, this option is no longer available at his alma mater as well as many other schools nationwide).

This enabled him to test out of language requirements at West Point Academy, where he pursued Middle Eastern Studies and learned Arabic. He then attended the German fluency program at the Defense Language Institute in Monterey, CA, and counterterrorism school in Fort Bragg, NC, before being placed as a liaison linguist officer at a small U.S. Army detachment on a Bundeswehr (German army) base in Germany.

After leaving the military, he taught German, Spanish, and French on temporary contracts at three Indiana high schools. “Then I decided to take my language skills with me to Thunderbird School of Global Management,” he says. “I was only ever interested in international business. I wanted a career that would enable me to integrate my love of all things international, my language skills, and experience in diplomacy.”

LaMar currently works as an international regional manager for Draper, Inc., a manufacturer of projection screens, projector and flat screen lifts, window shades, and gymnasium equipment. He handles sales, marketing, and new business development in Latin America, the Middle East/Africa, and Central and South Asia—a job that sends him overseas about 10 days of every month. Much of his work is centered on managing the network of local distributors in his region.

“My language skills are crucial to my job and my company’s success,” he says. “In Latin America, most of our new business development is happening in secondary markets like Ecuador and Guatemala. The customers in these regions often speak no English.”

LaMar prefers to communicate in Spanish even with Latin American customers who do speak English. “I’m more effective that way,” he explains. “They trust me more and it builds better relations both after hours and during the working day. I feel it has given my company a real competitive advantage.”

Guitard agrees with this assessment. “Having senior business leaders who are fluent in the local language gives companies an edge,” she says. “Beyond that, they have worked to develop their diplomacy and leadership skills so that the company can tailor what they are offering to the local market. Ultimately, that is how you have success. Even though we have advanced technologically in every region of the world, technology does not trump culture or how we relate as people. If anything, how you engage one-on-one has gained more importance.”

Recently, companies in Draper’s industry have faced stiff competition from emerging Chinese businesses. Draper has held onto its market share by growing business in developing markets—something
that is only possible with a sales force that can speak and do business with locals in those markets.

The need for language skills goes beyond the front-line managers who regularly engage with clients. An inside sales force and support staff that can communicate with clients and suppliers in the local language, even if that communication happens mostly via e-mail, reinforces a company’s image as a global player. This, naturally, is the case at Draper—LaMar’s primary assistant is fluent in Spanish and his secondary assistant can speak and read French.

In contrast, Thunderbird School of Global Management Associate Professor Karen Walch, in a podcast relates a story of a business deal gone badly because of a failure to understand the local market. “Years ago, I was working as a consultant in Puerto Rico and helping a U.S. millionaire find a site for a business he wanted to start there,” she says. “He was a very direct communicator, which is completely opposite of local culture. Initially he was disappointed and then frustrated. This led to him becoming judgmental, paranoid about the Puerto Rican culture, and downright aggressive.”

The CED report lists several examples of costly cultural blunders, such as the time zone map that Microsoft Corporation developed for its Windows 95 operating system. The map inadvertently showed the region of Kashmir lying outside the boundaries of India. In response, India banned the software, forcing Microsoft to recall 200,000 copies.

**A PIEDE IN THE DOOR**

For Lauren Mehler, having studied Spanish and Italian and having lived in Italy was a way to stand out when interviewing for jobs right after college. “When I first started interviewing, I really didn’t know what I was doing,” she says. “I quickly learned that knowing Italian and having studied abroad in Italy was a way to show that I could work anywhere, that I was adaptable, and that I could learn new skills. It was a great talking point for me.”

She landed a job as a marketing associate with General Mills that put her on a leadership track at the company—a path typically reserved for business school graduates, not a 21-year-old with a B.A. in political science and a minor in Italian. She recently finished an MBA program at Harvard Business School that included a summer internship at General Mills in Switzerland.

“I got that opportunity, to work in Switzerland, because of my foreign language background,” she says. “Languages are a moldable skill set. I was able to get by with French speakers in Switzerland because I wasn’t afraid of the situation. Once you’ve lived abroad, not knowing the language does not hold you back.”

Mehler feels that her experience living abroad and her knowledge of two languages, Spanish and Italian, put some substance behind the resume buzz-words like “adaptable,” “independent,” and even “responsible.” In many cases, what language she studied was not as important as the fact that she had studied a language.

**A GLOBAL MINDSET**

Having a “global mindset” is the other critical skill identified in The Language Flagship/BDA corporate roundtables. “To put it simply, having a global mindset means being able to work effectively in a cross-cultural environment. This skill set is harder to define because you can’t assess it the way you can language fluency,” says Guittard. “Language educators have an important role in building a global mindset, which is not just important for business but for national security. Across the board, our country is paying attention to this concept.”

One way to quantify a global mindset is through the Thunderbird School of Global Management’s Global Mindset® Leadership Institute.

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In addition to language skills and a global mindset, a Master’s in Business Administration (MBA) with an international focus makes a huge difference for those pursuing a career in international business. In fact, an international focus has become a crucial part, not just a special offering, of many programs that go far beyond business such as law, political science, and economics. Cari Guittard says that Business for Diplomatic Action (BDA) is currently working with the University of Southern California’s Center on Public Diplomacy Master of Arts program to develop a business diplomacy course.

The University of Virginia’s Darden School of Business offers an excellent opportunity to gain a global mindset along with an MBA, as approximately one-third of the student body is made up of international students. Darden’s faculty have worked, taught, consulted, or lived in numerous countries on five continents, including such far-flung places as Bahrain, Croatia, Ghana, Iceland, Kyrgyzstan, and Nepal.

The program offers many opportunities for international engagement such as an MBA exchange in which a Darden student can spend an academic term in schools like the Hong Kong University of Science and Technology, Stockholm School of Economics, and Mexico’s Instituto Panamericano de Alta Dirección de Empresa.

Another example is the school’s Global Business Experience (GBE), a one- to two-week course outside the United States offered during spring break. While GBE courses happen in a variety of countries, all share common goals of increasing awareness of differences in cultures and business practices and giving students familiarity with current economic, political, and cultural issues in countries and regions outside of the United States.

The Wharton School at the University of Pennsylvania offers its MBA students another way to gain international experience through the Wharton International Volunteer Program (WIVP). Students spend two to four weeks in the summer on consulting engagements that help private organizations with operations, business planning, startup strategy, financial projections, and costing.

The WIVP website lists a number of ways that Wharton students have done good in the world while gaining valuable experience. In Mongolia, WIVP participants helped migrant sheep herders find better ways to take the products to market. In the Marshall Islands, Wharton students developed marketing plans to assist in the international sales of canoes hand-built by local youth. In Senegal, they created training materials and conducted workshops to educate the local population on how to start and manage a small micro-business.

The Thunderbird School of Global Management is widely recognized as the leading international MBA program—it has been ranked #1 in this category for 14 straight years by U.S. News and World Report. Thunderbird offers traditional, accelerated, working professional, and distance learning programs. A common thread of all these options is the global perspective. Most of Thunderbird’s graduate programs have a component called Winterims and Summerims, two- to three-week courses in worldwide locations like South Africa, Hungary and Slovenia, Singapore, London, Costa Rica, and Jordan.

“The global experience is an extension of Thunderbird’s objective for students to develop a global mindset,” says Carmen Vega Carney, director of Thunderbird’s Garvin Center for Cultures & Languages of International Management. “Students are able to meet with leading business and government leaders and see firsthand different business structures, economic regions, and lifestyles.”

To complete the Global Management programs, students must have demonstrable skills in a second language—speaking proficiency on the ACTFL Oral Proficiency Interview (OPI) scale of at least Intermediate-Low or Intermediate-High, depending on the language.

“We rigorously assess our students’ language proficiency because we want to make sure they have reached a certain level. The students gain a lot of satisfaction in seeing what they have learned,” says Carney. “We wanted this assessment done through an independent third party, so we chose the ACTFL OPI because of the organization’s reputation. We wanted to connect to an organization that would give value to the results.”

In 2009, 26% of Thunderbird graduates went into work in marketing and sales. Another 21% accepted work in the financial services sector. American Express, A.T. Kearney, Cisco Systems, ExxonMobil, Intel, and Johnson & Johnson were among the companies that hired 2009 Thunderbird graduates. That year, Thunderbird MBAs made an average starting salary base of $76,309 (down from $84,295 in the year prior as a result of systemic economic factors), plus an average signing bonus of $14,777 and an average for other guaranteed compensation of $14,190.

For undergraduates, High Point University’s offers Bachelor’s of Science degrees in International Business and Global Trade, both of which have a strong language component. The International Business program is conducted in cooperation with the Foreign Languages Department and requires in-depth study of French, German, and Spanish. As graduates of the program may be employed in positions requiring significant foreign travel, students are encouraged to spend a semester abroad and engage in other travel opportunities.

“High Point University’s Business and Commerce majors equip our students with entrepreneurship, international business, global finance, communication, and marketing that help them to build bridges across many cultures,” says Nido Qubein. “Our graduates go on to work with banks, tourism agencies, government organizations, corporations that do business internationally. With language skills, you can find excellent jobs in any sector.”

An international MBA program can be just that—international. Programs outside the United States worth investigating include the London Business School, Insead (France, Singapore, and Abu Dhabi), the Indian School of Business, Hong Kong UST Business School, and the China Europe International Business School.
Thunderbird, located in Glendale, AZ, defines a global mindset as “a set of individual characteristics that help global leaders better influence individuals, groups, and organizations unlike themselves.”

Through interviews with over 200 global executives and collaboration with distinguished scholars around the world, Thunderbird professors defined the concept and developed the Thunderbird Global Mindset Inventory (TGMI), an Internet-based survey to measure an individual’s and a group’s profile of global mindset. [Go to the ACTFL website and click on See It in The Language Educator? to link to some sample questions from the TGMI.]

Possessing a global mindset, understanding local culture, and speaking the language just makes good business sense. With the current economic crisis, companies have to work harder to carve out and keep market share. What Guittard terms “business diplomacy” is a way for companies to stand out—and it has created a growing niche in the business world where language skills are essential.

Before his Draper position, LaMar worked for a short time in global purchasing at the former General Motors division, Delco Remy, until his newly created position was eliminated after the GM strike in the summer of 1998. “I learned that with language skills, you can cut to the chase,” he says. “There are a lot of less-than-honest salespeople out there, but if you know the language and subtle nuances, you can beat them at their own game.”

A tourist who doesn’t speak the local language is more likely to be taken advantage of in some fashion, whether it is by a taxi driver taking an indirect route, a hotel overcharging, or just not being able to negotiate prices in a marketplace. A businessperson operating in an international market without the cultural or language know-how may not be much different than that tourist.

“If you are in a country where you do not speak the language, having sensitivity to other languages, customs, and nuances is still important,” says Kolb. “Assuming everyone will do everything the American way is a limited mindset that people will pick up on, and frankly, they won’t like it. The world is much more nuanced than it used to be.”

While the future looks bright for language students considering business careers, there are still not enough multilingual people with a global mindset entering the workforce to fill the need. Guittard thinks that Americans, across the board, need to change the way we look at language education.

“In our education system, foreign language study is seen as a soft skill and not part of core education,” she says. “In today’s world, this is a critical skill set that cannot be taken for granted. We need to view language study as a critical and necessary skill, not something that is nice to do.”

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