



THE LANGUAGE FLAGSHIP

Creating Global Professionals

SALT LAKE CITY LANGUAGE SUMMIT

SALT LAKE CITY, UTAH

MAY 5, 2009

INTRODUCTION

On May 5, 2009, fifteen representatives from businesses in Utah convened to share their insights about the need for professional-level language and cultural skills in their companies, be it for global or domestic markets and management. The “Salt Lake City Language Summit,” was sponsored by the World Trade Center Utah and The Language Flagship, an initiative of the National Security Education Program at the U.S. Department of Defense. The session was designed to inform the Utah Language Roadmap, a report to Utah’s governor on policies and actions to support language education for the benefit of Utah’s businesses, education, government agencies and citizens. The Language Roadmap draws from the insights gleaned from the Utah Language Summit (September 2008); the Utah International Education Summit (February 2009) and subsequent working sessions. The Utah Language Roadmap effort follows the initial federal effort, coordinated by The Language Flagship, which resulted in language roadmaps in the states of Oregon, Texas and Ohio.

Below please find a brief overview of the 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; global product development and operations; export assistance; financial management; global and domestic transportation matters; insurance underwriting; hospital and medical care; genetic testing; and translation services.

Participants represented the following companies and organizations:

- Cottonwood & Alta View Hospitals
- Dyno Nobel, Inc.
- Goldman, Sachs and Company
- Hypercomp, Inc.
- INCOS International Consulting Systems
- JBT Translations & Localization
- Lifetime Products
- MGIS Underwriting Managers, Inc.
- Sorenson Genomics
- Manthom Investments, LLC
- UPS, Great Basin District
- U.S. Translation Company

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

- Spanish **
- Arabic
- Japanese
- Mandarin
- Cantonese
- French
- Portuguese
- German
- Scandinavian Languages
- European Union Languages
- Russian
- Vietnamese
- Korean
- African Languages
- Tagalog

Languages Needed in the Next Five Years

- Turkish
- Spanish ** (for many different cultures, countries, and dialects)
- Farsi
- Dari
- Pashtu
- Hindi
- Portuguese
- Mandarin
- BRIC Markets (Brazil, Russia, India, China)
- Asian Markets

YOUR BUSINESS NEEDS: TOP USAGES FOR LANGUAGE: PURPOSE AND LEVEL OF USAGE

Participants were initially 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 with the categories with greater quantity listed first.

Relationship Building

- Communicating professional
 - Legal, business, marketing
- Relationship building; in Arabic
- Forming and retaining relationships with international clients
- Working with potential vendors
- If you are able to use the language you can sometimes turn competitors into future customers
- Customer and workforce service and support: need languages
- South Africa: We could do business in English, but to develop business relationships and trust it is better to use Afrikaans)
- Using language skills for building relationships: breaking the ice immediately
 - This creates trust and credibility

Customer Care and Support

- Customer care/support
 - Call center environment
- Customer management
- Arabic: customer service

- In foreign subsidiaries or partnerships: operating language, customer interface, manuals, financials, contracts, etc.
- Technical support

Business Development and Sales

- Sales
- Business expansion
- Business development
- Business development

Management Issues and Human Resource Management

- Working with China factory managers
 - Chinese labor (staff)
 - Korean management team
- Employment
- Communication with and promotion of a multi-lingual workforce
- Outsourced functions/solutions

Marketing and Communications

- International marketing
 - Doing business multilingually
- Sales presentations: selling product
- Global Marketing; e-commerce
- Marketing

Translation and Localization

- Localization of U.S. information technology products into German
- Translating information technology materials (documents; online help systems; collateral information) into German
- Review of translated material, i.e., already translated
- Translation of sales collateral

Health Care

- Doctor-patient communication
 - History
 - Discussion of medical problem
- Consumer-driven health care customers
- Language as means of understanding patients' hopes, fears, etc.
- Understanding the cultural context of your patient by knowing the culture and language

Being Aware of Cultural Differences in Doing Business Overseas

- UPS: Example of opening up to Canada and Europe in 1975. Went in with a mindset of doing business the "American Way." It did not work and set us back about three years. We have learned from this and now do business around the world, adapting to the local culture.
- In certain markets, when you try to build scalability across the globe, different clients have different needs than U.S. clients. Global firms must care about these global differences to maintain market share and clientele base.
- We need cultural understanding as well

- Using cultural knowledge to your advantage (e.g., even using English-only when appropriate)
 - Example of going into a business negotiation situation in Mexico speaking Spanish the first time and not getting the particular reduction in price; but the second time, meeting with the high-level managers, he spoke English and was able to get positive specifics of the deal achieved. One needs to know when to use language and cultural skills. Be aware of hierarchy and cultural nuances with your business relationship.

Internal Communications

- Internal communication
 - Working with non-native employees
- Interaction with other employees from our international offices
- Understand and communicate with future workforce
 - Human resource demands

Business Negotiations

- Arabic: negotiations
- In negotiations for merger and acquisitions. Deals: having a knowledge of the foreign language is often a requirement for developing trust and a relationship with your negotiating partner or customer.
- Very important to get the advantage by negotiating in the market's language.

Business Documentation

- Account management
- Having a knowledge of foreign language to process data or legal documents in another language
- Business documentation; legal and non-legal

Logistical and Regulatory Details of Doing Business Overseas

- UPS working with Utah companies. We help companies take their business overseas by helping them with regulatory issues and duties; we help them with a standard, skeletal business model offered by UPS. We need languages to do that.
- Using languages to understand the context of your partners' operating environment

Client Communications and Public Relations

- Interaction/communications with our clients
- Understanding the culture: public affairs and customer needs

Domestic Usage of Languages

- UPS in Utah: languages are not an issue; however in Las Vegas, Nevada, we need Spanish for our local workforce
- Domestic Usage: Working with a Hispanic workforce. We need Spanish for:
 - Safety issues
 - Cross-cultural communications
 - Human resource support (e.g., health plans). We need to be able to communicate verbally with our employees

Product Development and Research

- In R&D we use molecular biologists with language skills. New technologies, new products: it helps to have the ability to communicate across borders for research purposes.

Making Utah More Attractive to Potential Workers

- Call for changing perceptions of Utah as not being culturally diverse. We need to make the state more attractive to potential workers.

The Role of English in Business

- Increasing need for English language skills in Latin America and in Spain
- Debate regarding how much English is needed; certainly for many contracts, but not always just in English. Rough translations of non-English contracts can hurt in the long run.
- Research and Development groups often use English only; but not so with communications and marketing groups.

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 Intellectual and Human Capital Hurts the Growth of Your Business

- Losing intellectual capital, e.g., if we lose agents representing our business overseas (or even domestically) because we mismanage the relationships by not having language and cultural skills, we lose our intellectual capital. It costs to develop and train replacements.
- Example: We had a trade expo bringing distributors together for a meeting to learn about the product; to teach them how to sell the product. But the translator did not convey the entirety of the brand message. The enthusiasm is lost; and potentially the actual distributors may step away. Credibility is lost.
- Example: We went to Africa to recruit people to work for our company. The receiving university turned us back since our own company team did not represent the diversity that we were ultimately looking to achieve in our workforce. The opportunity is cost:
 - Potentially harming our long-term relationships with our recruitment base (in this case, the universities from which we were recruiting)
 - Not getting the talent, ultimately, that our company needs
 - Not getting access to a network of highly educated, multilingual workforce
 - As our company is referral-based, it is important to have access to that network
- Loss of future support centers
- Opportunity cost for Utah: not getting the human capital to come here and stay

Costs in Closing Deals

- Delays in closing negotiations could trigger a demise in the overall deal
- Know who the decision maker in the deal is (or you may lose the deal). If you know who the decision maker is, you will know what language to use to close the deal.

- In South Korea we should have had language ability on staff to avoid problems.

Loss of Trust, Reputation and Brand

- The hardest thing to recover is your reputation.
- Example: UPS had a joint venture in Japan. They pulled out of it eventually because of not having a good cultural understanding supported by language skills. They came to understand that they were not sharing the same cultural and corporate values. The cost involved loss of dollars and of brand. It was “very, very painful down the road.”
- There is an “art” to establishing relationships (even if you have language skills). Personalities are important in business relationships.

Not Having Language Skills Readily Available can Hurt Your Company

- Distributors being used as the language support for a company (i.e., instead of having people on staff with language skills or hiring in a translators, the distributors take it upon themselves to “interpret” the marketing materials and the claims of the product. This gets them in trouble and raises issues of liability).
- Training of employees or of people using the product: you can do that in English in Europe; but in other areas you need to know the cultural context and the language.
- There is a shortage of native English speakers with high levels of language and technical knowledge.

Losing Market Share for Lack of Understanding of the Country and Culture

- Ignorance is a huge opportunity cost. Example: Ignorance of the culture and language and of the market potential, based upon fear, kept our client’s company from moving into a new business market. We lost 25-30% of the possible market. Twelve months later our competitors took that share of the market. Language and cultural knowledge would have countered that fear and ignorance and opened up that opportunity.
- It is easy to attract accounts, but hard to retain them. Around the world we had 70 accounts for our DNA testing business. If we had had native speakers to explain the accounts we would have retained more of them. As it is, we dropped to 30 active accounts. This results in a loss of revenue.

Costs for Delays in Production and Shipping; and Closing Deals

- Production of a facility in China, e.g., the U.S. office kept receiving emails, daily, marked “Top Urgent!” The lack of understanding (of the language and business culture of the U.S.) on the Chinese side cost delays in shipping and production. Knowing Chinese would help.

Loss of Life or Well Being

- In the medical area the possible cost is an actual life or the health of a person. You need to understand the medical jargon in the language of the patient to be able to convey it. In Utah Spanish is a necessary language in the medical arena.

Loss of Government Security

- Government security: Not having enough U.S. citizens with language needs at this time; and we can't train them all immediately

Negative Perception of being an American Company

- Opportunity cost because of being an American company and a British company did not wish to work with us.

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.

- Hard to find native English speakers with high enough language skills and professional skills (business and technical). It is hard to get people to invest the time in getting dual degrees.
 - Companies don't pay what these people are worth.
- Challenges: bringing in foreign nationals is challenging.
 - Expenses: paying for travel; lodging; moving a family; visa sponsorship
 - We need to think about creating infrastructure for support of families coming to the U.S./Utah.
- We recruit bilingually and then people are moved around the globe to work. We hire without regard to nationality, but we do go to job fairs at universities and look for multilingual students with necessary skills.
- We are teaching ourselves Portuguese using Pimsler (software).
- We have a few companies in France: we look for engineers who speak English. We also bring in foreign nationals with technical skills.
- We are trying to learn Chinese online.
- If we cannot develop language skills in the U.S., then we are going to import it. And those who are imported need cultural support and infrastructure support.
- We hire in 3rd party translators.
- Having an American-English native who has the skill. Language skills need to be high enough to incorporate the technical skills needed to be effective. It is hard to convince Utahns to invest enough in language to take language skills to a higher level.
- Talent is not visible enough. We need more transparency to identify whether the prospective employee really has the skills they claim to have. Is there some kind of transparent certification available for companies to use? There doesn't seem to be here in the U.S.?

WHAT ROLE CAN BUSINESS PLAY TO SHAPE A FUTURE WORKFORCE

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.

Improve the Partnership between Business and Higher Education

- Make our activities more powerful by collaborating
- Bring companies together with the World Trade Center Utah and local universities to discuss plans and affect change (e.g., establish a clearing house so that students can be aware of what internship or employment opportunities area available from local businesses)
- Take heritage speakers and get them into the system so that they can contribute to the language needs of the state.

Create Internships and Immersion Experiences for Students

- Get language and business schools to create domain-specific opportunities (e.g., internships, etc.)
- Apprenticeship/mentorship offers from business
- Bring returning missionaries into a business context to improve their language and technical knowledge
- Business should partner with universities which have students with language and technical skills
 - They should offer internships
- Create immersion experience at our U.S. institutions
 - Set up living situations on campus for students to speak only their language of study

Provide Scholarships from Business to Students for Study Overseas

- Have more study abroad programs and have business help fund these opportunities

Use Tax Revenues from Businesses in Utah to Support Language Education

- Business is already bringing revenues to Utah; this should help support language learning
- Business community can talk with Utah legislators to get them to support language education and domain-specific education along with language education
 - They could provide tax credits for families willing to host foreign students in Utah

Support Continued Language Education

- Have the government set up on-line language training for continued learning

CO-SPONSORSHIP BETWEEN THE WORLD TRADE CENTER UTAH AND THE LANGUAGE FLAGSHIP

The World Trade Center Utah and The Language Flagship, were pleased to collaborate to sponsor the Salt Lake City Language Summit which informed the Utah Language Roadmap, a report to Utah's governor on policies and actions to support language education for the benefit of Utah's businesses, education, government agencies and citizens. As a partner of the Governor's Office of Economic Development, the World Trade Center Utah (WTCU) has been delivering on its bold mission for Utah: to guide Utah companies into profitable global markets. The Language Flagship leads the nation in designing, supporting, and implementing advanced language education. The Language Flagship funds the Chinese Flagship Center at Brigham Young University. An active partnership between government, education and business will bring the success of these Flagship program models to the entire nation, leveraging the investment of the federal government to the benefit of both private and public sectors.

FOR MORE INFORMATION:

- World Trade Center Utah: <http://www.wtcut.com>
- The Language Flagship: <http://www.thelanguageflagship.org>