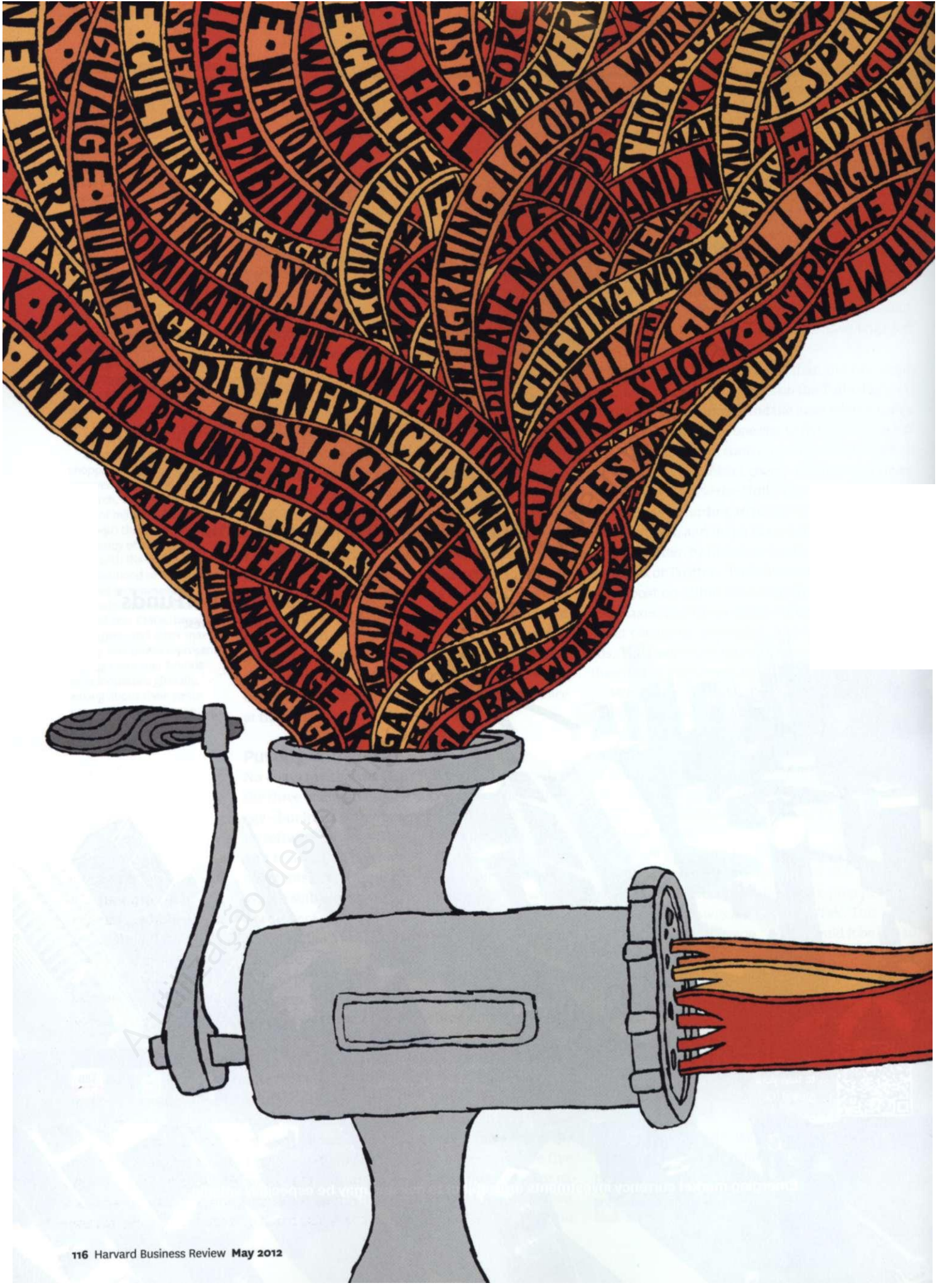
GLOBAL WORKFORCE
CULTURAL BACKGROUND
ORGANIZATIONAL SYSTEMS
DOMINATING THE CONVERSATION
DISENFRANCHISEMENT
ARE LOST · GAIN
SEEK TO BE UNDERSTOOD
INTERNATIONAL SALES
NATIVE SPEAKERS
SKILLS
CREDIBILITY
NATIONAL PRIDE
CULTURE SHOCK · OSTRACIZE
GLOBAL LANGUAGE
ACHIEVING WORK TASKS
IDENTITY
NUANCES ARE
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GLOBAL WORKFORCE
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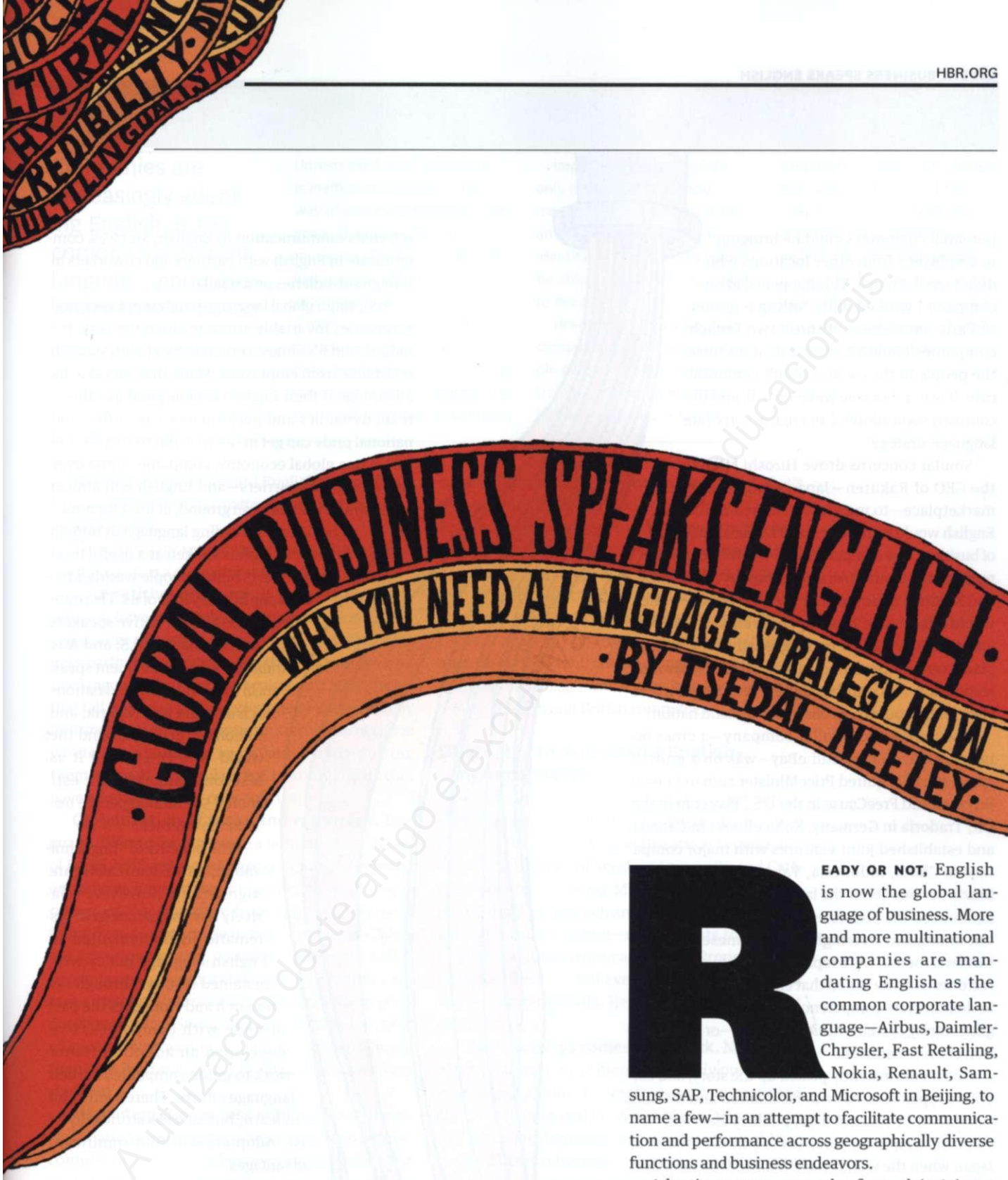
NEW HIERARCHY



GLOBAL BUSINESS SPEAKS ENGLISH

WHY YOU NEED A LANGUAGE STRATEGY NOW

BY TSEDAL NEELEY

READY OR NOT, English is now the global language of business. More and more multinational companies are mandating English as the common corporate language—Airbus, DaimlerChrysler, Fast Retailing, Nokia, Renault, Samsung, SAP, Technicolor, and Microsoft in Beijing, to name a few—in an attempt to facilitate communication and performance across geographically diverse functions and business endeavors.

Adopting a common mode of speech isn't just a good idea; it's a must, even for an American company with operations overseas, for instance, or a French company focused on domestic customers. Imagine that a group of salespeople from a company's Paris headquarters get together for a meeting. Why would you care whether they all could speak English? Now consider that the same group goes on a sales call to a company also based in Paris, not realizing that the

ILLUSTRATION: GEORGE BATES

potential customer would be bringing in employees from other locations who didn't speak French. This happened at one company I worked with. Sitting together in Paris, employees of those two French companies couldn't close a deal because the people in the room couldn't communicate. It was a shocking wake-up call, and the company soon adopted an English corporate language strategy.

Similar concerns drove Hiroshi Mikitani, the CEO of Rakuten—Japan's largest online marketplace—to mandate in March 2010 that English would be the company's official language of business. The company's goal was to become the number one internet services company in the world, and Mikitani believed that the new policy—which would affect some 7,100 Japanese employees—was vital to achieving that end, especially as expansion plans were concentrated outside Japan. He also felt responsible for contributing to an expanded worldview for his country, a conservative island nation.

The multibillion-dollar company—a cross between Amazon.com and eBay—was on a growth spree: It had acquired PriceMinister.com in France, Buy.com and FreeCause in the U.S., Play.com in the UK, Tradoria in Germany, Kobo eBooks in Canada, and established joint ventures with major companies in China, Indonesia, Taiwan, Thailand, and Brazil. Serious about the language change, Mikitani announced the plan to employees not in Japanese but in English. Overnight, the Japanese language cafeteria menus were replaced, as were elevator directories. And he stated that employees would have to demonstrate competence on an international English scoring system within two years—or risk demotion or even dismissal.

The media instantly picked up the story, and corporate Japan reacted with fascination and disdain. Honda's CEO, Takanobu Ito, publicly asserted, "It's stupid for a Japanese company to only use English in Japan when the workforce is mainly Japanese." But Mikitani was confident that it was the right move, and the policy is bearing fruit. The English mandate has allowed Mikitani to create a remarkably diverse and powerful organization. Today, three out of six senior executives in his engineering organization aren't Japanese; they don't even speak Japanese. The company continues to aggressively seek the best talent from around the globe. Half of Rakuten's Japanese employees now can adequately engage in internal communication in English, and 25% communicate in English with partners and coworkers in foreign subsidiaries on a regular basis.

Adopting a global language policy is not easy, and companies invariably stumble along the way. It's radical, and it's almost certain to meet with staunch resistance from employees. Many may feel at a disadvantage if their English isn't as good as others', team dynamics and performance can suffer, and national pride can get in the way. But to survive and thrive in a global economy, companies must overcome language barriers—and English will almost always be the common ground, at least for now.

The fastest-spreading language in human history, English is spoken at a useful level by some 1.75 billion people worldwide—that's one in every four of us. There are close to 385 million native speakers in countries like the U.S. and Australia, about a billion fluent speakers in formerly colonized nations such as India and Nigeria, and millions of people around the world who've studied it as a second language. An estimated 565 million people use it on the internet.

The benefits of "Englishnization," as Mikitani calls it, are significant; however, relatively few companies have systematically implemented an English-language policy with sustained results. Through my research and work over the past decade with companies, I've developed an adoption framework to guide companies in their language efforts. There's still a lot to learn, but success stories do exist. Adopters will find significant advantages.

Why English Only?

There's no question that unrestricted multilingualism is inefficient and can prevent important interactions from taking place and get in the way of achieving key goals. The need to tightly coordinate tasks and work with customers and partners worldwide has

Idea in Brief

Companies are increasingly adopting English as the common corporate language, no matter where they're based.

Unrestricted multilingualism is inefficient and gets in the way of accomplishing business goals. If people can't communicate effectively, sales get lost, merger integration drags, productivity slows, and so on. Single-language policies help companies avoid these problems, and English is the natural choice because it is already the dominant language of business.

Implementing an English-only policy is difficult and messy. People may view it as an affront to their cultural identity, or fear that they won't be able to learn enough English to keep up.

However, there's a lot that companies can do to help people along—including providing training, modeling the right behaviors themselves, and keeping the reasons for change front and center at all times.

And in fact, the challenge of getting up to speed may be less daunting than people think. You don't have to reach native fluency to be effective at work. For most people, 3,000 to 5,000 words will do it.

accelerated the move toward English as the official language of business no matter where companies are headquartered.

Three primary reasons are driving the move toward English as a corporate standard.

Competitive pressure. If you want to buy or sell, you have to be able to communicate with a diverse range of customers, suppliers, and other business partners. If you're lucky, they'll share your native language—but you can't count on it. Companies that fail to devise a language strategy are essentially limiting their growth opportunities to the markets where their language is spoken, clearly putting themselves at a disadvantage to competitors that have adopted English-only policies.

Globalization of tasks and resources. Language differences can cause a bottleneck—a Tower of Babel, as it were—when geographically dispersed employees have to work together to meet corporate goals. An employee from Belgium may need input from an enterprise in Beirut or Mexico. Without common ground, communication will suffer. Better language comprehension gives employees more firsthand information, which is vital to good decision making. Swiss food giant Nestle saw great efficiency.improvements in purchasing and hiring thanks to its enforcement of English as a company standard.

M&A integration across national boundaries. Negotiations regarding a merger or acquisition are complicated enough when everybody speaks the same language. But when they don't, nuances are easily lost, even in simple e-mail exchanges. Also, cross-cultural integration is notoriously tricky; that's why when Germany's Hoechst and France's Rhone-Poulenc merged in 1998 to create Aventis, the fifth largest worldwide pharmaceutical company, the new firm chose English as its operating language over French or German to avoid playing favorites. A branding element can also come into play. In the 1990s, a relatively unknown, midsize Italian appliance maker, Merloni, adopted English to further its international image, which gave it an edge when acquiring Russian and British companies.

Obstacles to Successful English-Language Policies

To be sure, one-language policies can have repercussions that decrease efficiency. Evidence from my research at Rakuten—along with a study I conducted with Pamela Hinds of Stanford University and Catherine Cramton of George Mason University at a company I'll call GlobalTech and a study I conducted at a firm I'll call FrenchCo—reveals costs that global English-language rules can create. Proper rollout mitigates the risks, but even well-considered plans can encounter pitfalls. Here are some of the most common.

Change always comes as a shock. No amount of warning and preparation can entirely prevent the psychological blow to employees when proposed change becomes reality. When Marie (all names in this article are disguised, with the exception of Mildtani and Ito) first learned of FrenchCo's English-only policy, she was excited. She had been communicating in English with non-French partners for some

The fastest-spreading language in human history, English is spoken at a useful level by some 1.75 billion people worldwide—that's one in every four of us.

time, and she saw the proposed policy as a positive sign that the company was becoming more international. That is, until she attended a routine meeting that was normally held in French. "I didn't realize that the very first meeting after the rule came out was really going to be in English. It was a shock," Marie says. She recalls walking into the meeting with a lot of energy—until she noticed the translator headsets.

"They're humiliating," she says. "I felt like an observer rather than a participant at my own company."

Compliance is spotty. An English mandate created a different problem for a service representative at GlobalTech. Based in Germany, the technology firm had subsidiaries worldwide. Hans, a service representative, received a frantic call from his boss when a key customer's multimillion-dollar financial services operation ground to a halt as a result of a software glitch. Hundreds of thousands of dollars were at stake for both the customer and GlobalTech. Hans quickly placed a call to the technical department in India, but the software team was unable to jump on the problem because all communications about it were in German—despite the English-only policy instituted two years earlier requiring that all internal communications (meetings, e-mails, documents, and phone calls) be carried out in English. As Hans waited for documents to be translated, the crisis continued to escalate. Two years into the implementation, adoption was dragging.

Self-confidence erodes. When nonnative speakers are forced to communicate in English, they can feel that their worth to the company has been diminished, regardless of their fluency level. "The most difficult thing is to have to admit that one's value as an English speaker overshadows one's real value," a FrenchCo employee says. "For the past 30 years the company did not ask us to develop our foreign-language skills or offer us the opportunity to do so," he points out. "Now, it is difficult to accept the fact that we are disqualified." Employees facing one-language policies often worry that the best jobs will be offered only to those with strong English skills, regardless of content expertise.

When my colleagues and I interviewed 164 employees at GlobalTech two years after the company's English-only policy had been implemented, we found that nearly 70% of employees continued to experience frustration with it. At FrenchCo, 56% of medium-fluency English speakers and 42% of low-fluency speakers reported worrying about job advancement because of their relatively limited English skills. Such feelings are common when companies merely announce the new policy and offer language classes rather than implement the shift in a systematic way. It's worth noting that employees often underestimate their own abilities or overestimate the challenge of developing sufficient fluency. (See the sidebar "Gauging Fluency.")

Job security falters. Even though achieving sufficient fluency is possible for most, the reality is that with adoption of an English-only policy, employees' job requirements change—sometimes overnight. That can be a bitter pill to swallow, especially among top performers. Rakuten's Mikitani didn't mince words with his employees: He was clear that he would demote people who didn't develop their English proficiency.

Employees resist. It's not unusual to hear nonnative speakers revert to their own language at the expense of their English-speaking colleagues, often because it's faster and easier to conduct meetings in their mother tongue. Others may take more ag-

Will Mandarin Be Next?

Given the size and growth of the Chinese economy, why move to an English-only policy? Isn't it possible that Mandarin could overtake English as the global language of business? It's possible, but unlikely. There are two reasons for this.

FIRST, English has a giant head start. China can't replicate Britain's colonial history. The British Empire began embedding the English language in many parts of the world as early as the 16th century. Philanthropic work by American and British organizations further spread English, long before corporations began to adopt it at the workplace.

SECOND, for much of the world, Mandarin is extremely difficult to learn. It's easier to pick up "broken English" than "broken Mandarin." Knowing Mandarin—or any language spoken by huge numbers of people—is an advantage, clearly. But for now, Mandarin is not a realistic option for a one-language policy.

gressive measures to avoid speaking English, such as holding meetings at inopportune times. Employees in Asia might schedule a global meeting that falls during the middle of the night in England, for instance. In doing so, nonnative speakers shift their anxiety and loss of power to native speakers.

Many FrenchCo employees said that when they felt that their relatively poor language skills could become conspicuous and have career-related consequences, they simply stopped contributing to common discourse. "They're afraid to make mistakes," an HR manager at the firm explains, "so they will just not speak at all."

In other cases, documents that are supposed to be composed in English may be written in the mother tongue—as experienced by Hans at GlobalTech—or not written at all. "It's too hard to write in English, so I don't do it!" one GlobalTech employee notes. "And then there's no documentation at all."

Performance suffers. The bottom line takes a hit when employees stop participating in group settings. Once participation ebbs, processes fall apart. Companies miss out on new ideas that might have been generated in meetings. People don't report costly errors or offer observations about mistakes or questionable decisions. One of the engineers at GlobalTech's Indian office explained that when meetings reverted into German his ability to contribute was cut off. He lost important information—particularly in side exchanges—despite receiving meeting notes afterward. Often those quick asides contained important contextual information, background analyses, or hypotheses about the root cause of a particular problem. He neither participated in the meetings nor learned from the problem-solving discussions.

An Adoption Framework

Converting the primary language of a business is no small task. In my work I've developed a framework for assessing readiness and guidelines for adopting the shift. Adoption depends on two key factors: employee buy-in and belief in capacity. Buy-in is the degree to which employees believe that a single language will produce benefits for them or the organization. Belief in their own capacity is the extent to which they are confident that they can gain enough fluency to pass muster.

The two dimensions combine to produce four categories of response to the change, as shown in the matrix "Four Types of Employee Response."

Implementation Tips

Even when language mandates are implemented with care and forethought, negative emotional and organizational dynamics can still arise. But their power to derail careers and company work can be significantly mitigated by adequately preparing people and systems for the change. Here are steps that companies can take to manage English-only policies.

Involve all employees.

Before a company introduces a global English policy, leaders should make a persuasive case for why it matters to employees and the organization. Employees must be assured that they will be supported in building their language skills. Companywide cultural-awareness training will help nonnative speakers feel heard and valued. Leaders should rally workers behind using English to accomplish goals, rather than learn it to meet proficiency standards.

Managers are referees and enforcers.

Managers must take responsibility for ensuring compliance, and they'll need training in how to productively address sensitive issues arising from the radical change. Groups should set norms prescribing how members will interact, and managers should monitor behavior accordingly. For instance, managers should correct employees who switch into their mother tongue.

Native speakers must level the playing field.

Native speakers can learn to speak more slowly and simplify their vocabularies. They should refrain from dominating conversations and encourage nonnative speakers to contribute. Native speakers may need coaching on how to bring along less proficient colleagues who are working at a disadvantage.

Nonnative speakers must comply.

Nonnative speakers have a responsibility to comply with the global English policy and to refrain from reverting to their mother tongue, even in informal meetings or communications. More-aggressive actions that exclude or ostracize native speakers, such as scheduling meetings at inopportune times, should be strongly discouraged.

Ideally, employees would fall in what I call the "inspired" category—those who are excited about the move and confident that they can make the shift. They're optimistic and likely to embrace the challenge. But undoubtedly, some employees will feel "oppressed." Those people don't think the change is a good idea, and they don't think they'll cut it.

The reality is that without buy-in, employees won't bother to brush up their language; without belief, they'll lose hope. I've identified some guidelines managers can follow to help people along. Rakuten's Mikitani has successfully implemented a version of this framework.

Leaders and managers can help employees move from one box to another more easily than you might expect. There are fairly simple strategies that aid the shift, typically involving some combination of a strong psychological boost and practical training. To shift employees from "frustrated" to "inspired," for instance, managers must offer constant encouragement and an array of language-development opportunities. To shift employees from "indifferent" to "inspired," managers must work on improving buy-in—once these employees feel invested in the change, their skills will follow.

Improving belief in capacity. Managers can use four strategies to help people boost their belief in their ability to develop language proficiency.

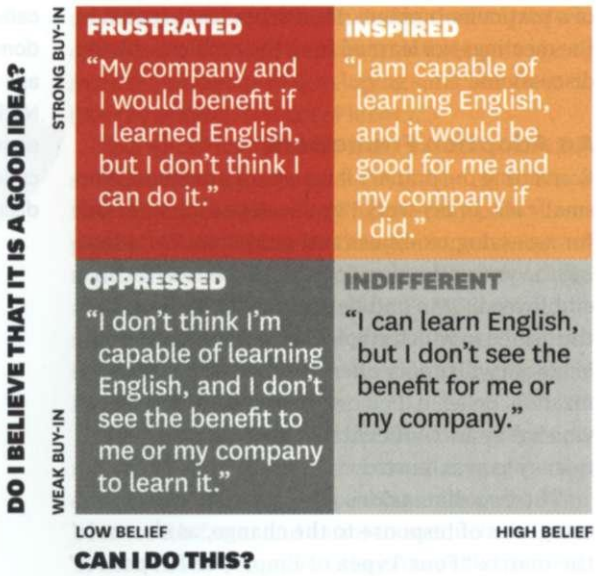
Offer opportunities to gain experience with language. Whether through education, employment, or living abroad, experience tends to give people the confidence they need to succeed in this task. You can't change past experience, but you can provide opportunities, such as overseas language training and job rotations, that open new doors and allow employees to stretch their skills. Rakuten has sent senior executives to English-speaking Countries like the UK and the U.S. for full language immersion training. Employees have also been offered weeks-long language-training programs in the Philippines. Although not easily scalable to 7,100 Japanese employees, the programs successfully produced individuals with functional English skills. Rakuten also plans to send more than 1,000 engineers to technology conferences outside Japan.

Foster positive attitudes. Attitudes are contagious: People's faith in their own capabilities grows when they see others around them—peers, managers, friends—having positive experiences with the radical change. The reverse is also true, unfortunately. Managers can model good risk-taking behaviors by showing that they too are trying new things, making mistakes, and learning from those mistakes.

Mikitani focused his personal attention on middle managers because he knew that collectively they could influence thousands of employees. He encouraged them to constantly improve their own language skills and even offered to teach them English himself if need be. (Nobody took him up on the offer.) He also encouraged managers to support their subordinates in their efforts to develop their language proficiency.

Use verbal persuasion. Encouragement and positive reinforcement from managers and executives—simple statements like "You can do it" or "I believe in you"—make all the difference. To mitigate turnover threats at Rakuten, managers identified talent that the company wanted to retain and tailored special programs for them, all the while cheering them on. Also, Mikitani repeatedly assured his entire workforce that he would do everything in his power to help every employee meet his or her English-proficiency goals. He made it clear that he believes that with effort everyone can adequately learn the language of business and that he did not want to see anyone leave the company because of the English-only policy.

Four Types of Employee Response



Encourage good study habits. Companies need to contract with language vendors who specialize in helping employees at various levels of proficiency. The vendors need to be intimately familiar with the company context so that they can guide employees' learning, from how best to allocate their time in improving skills to strategies for composing e-mails in English. Rakuten considers language development to be part of every job and grants people time during the workday to devote to it. Every morning, employees can be seen flipping through their study books in the company's cafeteria or navigating their e-learning portals.

Improving employee buy-in. Shifts in buy-in call for different measures. But they don't operate in isolation: Buy-in and belief go together. Strategies that can help people feel more confident include:

Messaging, messaging, and more messaging. Continual communication from the CEO, executives, and managers is critical. Leaders should stress the importance of globalization in achieving the company's mission and strategy and demonstrate how language supports that. At Rakuten, Mikitani signaled the importance of the English-language policy to his entire organization relentlessly. For instance, each week some 120 managers would submit their business reports, and he would reply to each of them pushing them to develop their language skills. I surveyed employees before and after Rakuten implemented the adoption framework. Results indicated a dramatic increase in buy-in after Mikitani showed his employees that he was "obsessed and committed to Englishnization," as he put it. The vast majority of the employees surveyed said that the policy was a "necessary" move.

Internal marketing. Because a language transformation is a multiyear process whose complexity far exceeds most other change efforts, it is crucial to maintain employee buy-in over time. At Rakuten, the now-English intranet regularly features employee success stories with emphasis on best practices for increasing language competence. Companywide meetings are also held monthly to discuss the English-language policy.

Encouragement from managers and executives—simple statements like "You can do it" or "I believe in you"—make all the difference.

Gauging Fluency

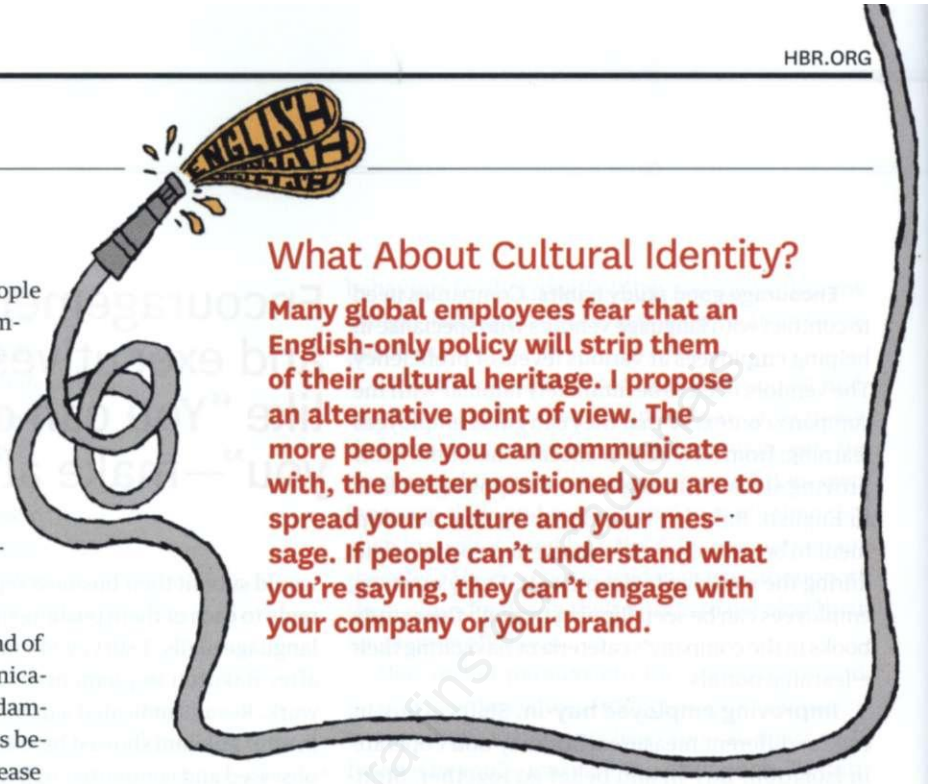
Progressing from beginner level to advanced—which greatly improves an employee's ability to communicate—involves mastering around 3,500 words. That's a far less daunting task than adding the 10,000 words necessary to move from advanced to native speaker, for which the payoff may be lower.

BEGINNER
These employees are able to cope with basic situations.

INTERMEDIATE
At this level, employees can function productively in business settings. They can understand verbal and written communications and express themselves; however, fine shades of meaning may escape them.

ADVANCED
These speakers are comfortable with technical terms and nuanced discussion. They may begin to experience diminishing returns on their language efforts.

NATIVE SPEAKERS
These employees speak fluently and idiomatically and have all means at their disposal to communicate effectively.



What About Cultural Identity?

Many global employees fear that an English-only policy will strip them of their cultural heritage. I propose an alternative point of view. The more people you can communicate with, the better positioned you are to spread your culture and your message. If people can't understand what you're saying, they can't engage with your company or your brand.

Branding. Managers should encourage people to self-identify as global rather than local employees. It's difficult to develop a global identity with limited exposure to an international environment, of course. Rakuten tackled this challenge by instituting an enterprisewide social network to promote cross-national interactions. Employees now interact and engage with colleagues worldwide through the company's social networking site.

ADOPTING A universal English policy is not the end of leadership challenges posed by global communication. Using English as a business language can damage employee morale, create unhealthy divides between native and nonnative speakers, and decrease the overall productivity of team members. Leaders must avoid and soften these potential pitfalls by building an environment in which employees can embrace a global English policy with relative ease. In this way, companies can improve communication and collaboration.

When I asked Mikitani what advice he'd give other CEOs when it comes to enforcing a one-language mandate, he was emphatic about discipline. CEOs need to be role models: If they don't stick to the program, nobody else will. Mikitani even holds one-on-one performance reviews with his top Japanese executives in English. "If you forgive a little," he says, "you'll give up everything."

Mikitani doesn't fear resistance. He believes, as I do, that you can counteract it—and ultimately bring about significant transformation in employees' beliefs and buy-in. A global language change takes perseverance and time, but if you want to surpass your rivals, it's no longer a matter of choice.

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