

# The Globalization of English Report: Globalization Accelerates Need for Business English Communication Skills

**Based on a study of 26,000 global employees from leading multinational corporations, this research report outlines trends in business communication and implications for global companies.**

GlobalEnglish surveyed its subscribers around the world in 2010 to get their perspectives on the globalization of English, trends in business communication, and the needs of global enterprises. More than 26,000 subscribers from 152 countries participated in the study.

It remains clear that the “flattening” of global business increasingly mandates English competency as a crucial skill for the workplace. A growing number of global workers must communicate in English—both within and outside their company—on a regular basis. 92% of global employees say English is required or important for their job, and this is true at all levels of the organization all over the world.

Individual employees recognize the critical need to be skilled in Business English not only to perform their current job effectively, but also as it relates to their potential for career advancement—93% say that English is required or important to get a promotion.

Yet, despite this critical need, the skill gap is not closing. While 92% recognize the need for this, only 7% of workers strongly agree that their current English communication skills are sufficient and 70% of respondents say they need to improve their skills this year.

Companies that have made it a strategic priority to provide tools to their global workforce for Business English communication development and support are clearly seeing a direct connection between their staff's Business English skills and the company's bottom line. Skilled Business English communicators both save time accomplishing their daily tasks and are more effective in getting their overall job done.

## Research Methodology

Surveys were sent to all existing GlobalEnglish users, who are in more than 3,500 companies in over 150 countries. More than 26,000 subscribers responded to the survey, which consisted of 50+ questions covering work responsibility, their need for Business English and challenges in their job, and the impact of new skill acquisition on their own performance as well as on business.

Respondents' locations were well distributed around the globe. 39% of respondents were from EMEA (Europe, Middle East, and Africa), 33% from the Americas, and 28% from APAC (Asia Pacific). Brazil, China, and Mexico were the top three countries with the largest number of respondents.

## General Trends

It's generally understood that the world is getting "flatter" as measured by the reduction of friction in the flow of information, capital, and resources among countries. Of these, information has the least friction of all—with the exception of time zone differences, communication essentially happens instantaneously around the world. Given the diversity of languages spoken around the globe, English has become the clear lingua franca of business.

This increasing flatness is tied to the general rise of emerging markets. According to Goldman Sachs, the market value of emerging-market stocks may surge more than fivefold to \$80 trillion in two decades, overtaking developed nations. And according to the UK Trade and Investment office (UKTI), by 2030, 93% of the world's middle class will live in what is currently termed emerging markets.

This growth in emerging markets and the increasing interconnectedness of global business directly affects the labor market in every country and the skills needed for building a successful workforce. For example, according to UKTI, within 15 years more Chinese people will speak English than the number of native English speakers worldwide. Additionally the WTO estimates that by the end of this year, 70% of the Global 1000 workforce will be non-native English speakers.

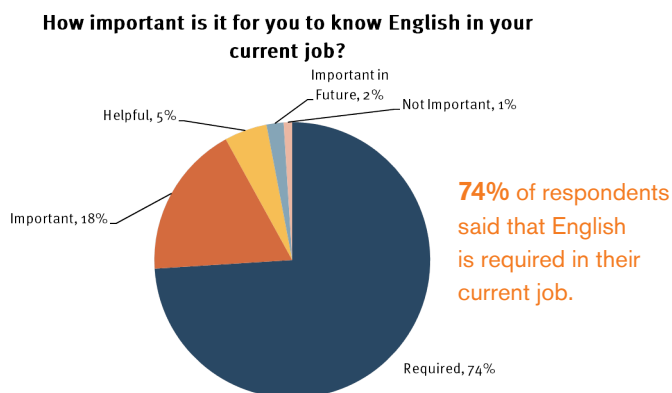
This trend contributes to a talent gap in this global workforce, particularly as it relates to speaking the lingua franca of business. Companies around the world are trying to recruit and retain younger employees to replace an estimated 75 million older workers who will be retiring over the next several years. But, according to the McKinsey Global Institute, "Only 13% of university graduates from emerging or low-wage countries are suitable for employment in multi-national companies, and the primary reason cited is lack of English skills." The U.S. Department of Education states that 60% of all new jobs in the 21st century will require skills that are possessed by only 20% of the current workforce—clearly communication skills are among the most important of the modern era.

Working across boundaries is essential in every area of business today, including global talent acquisition, development and succession planning, innovation, productivity, and overall performance. Effective communication in English is critical to companies' bottom lines. The Towers Watson 2009/10 Communication ROI Study demonstrated that companies that are highly effective communicators had a 47% higher total return to shareholders over a five-year period.

## The Findings

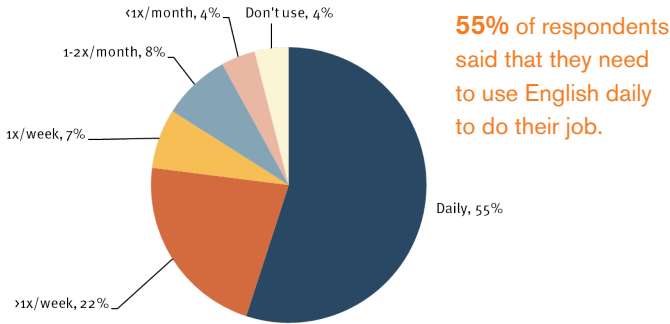
### Necessity of Business English

Our findings are consistent with these trends. When asked how important English is in their current job, 74% of our survey respondents said it is required, while an additional 18% said it is important. Only 1% said it is not important now or in the future.



It's also useful to look at how frequently English is used during the typical workday of the global employee. The survey results demonstrate that for most employees, English is indeed tightly integrated into their normal work flow every business day.

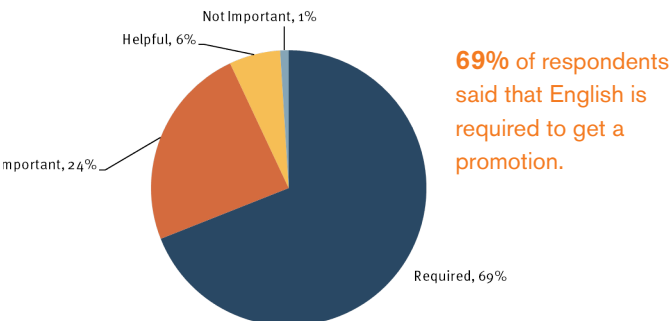
**How often do you need to use English to do your job?**



When asked "How often do you need to use English to do your job," 84% responded that they need English every week in their job, while 55% need to use it every day. In 2007, when we asked this question, only 77% reported weekly or more frequent use of English in their job; 49% said they use it daily. This means an additional 6-7% of the global workforce needs to use English now on a regular basis compared with three years ago. Not all of these workers need to use English frequently, but 92% report needing to use it every month.

This need for English in the workplace is not confined to either internal or external communication. Workers around the globe say that they need English skills for communication both within and outside the company. 60% responded that they communicate with coworkers in English; 55% use English with their managers and executives. 40% of users reported that they use English with customers, and 31% reported that they used English with suppliers. We anticipate that the percentage of global workers who communicate in English with others outside the company will continue to increase in the next few years.

**How important is it for you to know English to get a promotion at your company?**



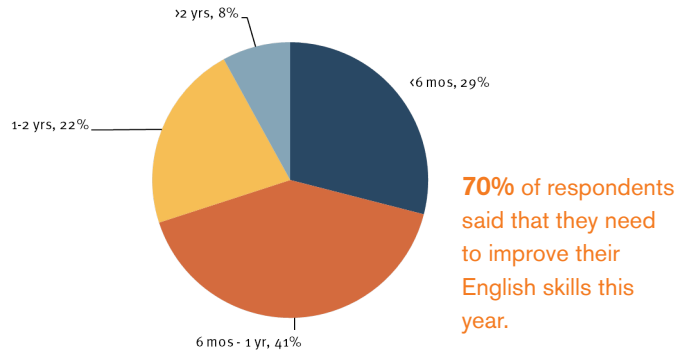
Another interesting finding of the survey is that global workers understood that a strong knowledge of English in business was crucial to their professional development and advancement. The findings show that employees who know English are more likely to get more responsibilities and be promoted. 93% of all respondents said English is required or important to get a promotion. Only 1% of respondents said that it wasn't helpful at all.

**Skills Still Lacking**

Despite all of the global trends, the study shows that there continues to be a large gap between the need for a global workforce skilled in Business English and the actual skill levels of employees today. Particularly as a new generation of workers from around the world flows into global business, this skill gap must be addressed quickly. Only 7% of workers strongly agreed with the statement that their current English skills are sufficient to enable them to do their job. This is an amazing statistic, especially when 92% responded that English is required or important for their job.

A clear majority of global workers see this gap and the immediate need to bridge it. 70% of respondents said they need to improve their English skills this year, and 92% need to improve within two years. Both businesses and their employees see this urgency in equipping their global workforce with these necessary skills.

**How soon do you need to improve your English skills?**





## Conclusion

Our Globalization of English 2010 survey clearly supports existing research on the topic of business globalization and reinforces the popular belief that English is the de facto language for global communication. It also shows that Business English is likely to continue to become more important—across all industries, organizational levels, and parts of the world. An overwhelming number of employees agree that English is crucial both for their current job and for advancement. English is integrated into their daily work flow and used both inside and outside the company. But despite this recognized need, there is an enormous skill gap. Companies are scrambling to give their global teams the tools and training they need to compete successfully in the 21st century.

The connection between better global Business English skills and company profitability and growth is clear. In 2007, the Harvard Business Review noted: “Those organizations that invest more in talent management significantly outperform their competition across every measure of business—including earnings per share, gross profit margin and market capitalization per employee.” In an environment where business is increasingly global and work teams, customers, and suppliers are dispersed around the world, there is no more important corporate investment than one that enables the global community to successfully communicate and collaborate.

Creating a workforce skilled in Business English requires something different than typical English language training, however. Certainly the content and pedagogy of the training needs to be extremely powerful and based on the latest research, but that is not enough. Workers are not developing English communication skills for their own sake, but as a way to communicate in the context of business. The opportunities to develop English skills should be relevant and contextual: Beyond providing exercises for core skill improvement they should focus on real-life business situations, reference common communication vehicles such as email, and include tools to support employees’ ongoing communication needs during the work day.

Lastly, to successfully develop Business English skills across the organization, the entire organization must have access to the right tools and training. An effective Business English program is one that is designed to be easily implemented throughout the enterprise, makes it easy for employees to get started and keeps them motivated, and quickly enables performance and productivity gains.

Going to an English class **outside** of the business **workplace** and then returning to the office **prevents the acceleration of job performance** due to a lack of context and an inability for that worker to practice his/her skills immediately on the job.

## About GlobalEnglish

GlobalEnglish offers solutions for Enterprise Fluency™: the communication, collaboration, and operational proficiency companies must have to compete in today’s global economy. Enterprise Fluency is the measure of a company’s ability to apply their company-wide gains in Business English skills to improve the ease with which their global teams can communicate and collaborate with each other and the effectiveness with which the company can operate across country borders.

We have more than 500 enterprises partnering with us globally, including BNP Paribas, Capgemini, Cisco, Deloitte, GlaxoSmithKline, Hewlett-Packard, Hilton, John Deere, Procter & Gamble, and Unisys. Our comprehensive, on-demand software solution is available in 15 languages for instant, on-the-job support for business tasks in English—such as writing emails—and programs for building lasting Business English proficiency. Headquartered in Brisbane, California, we have global reach to support multinational companies in any country worldwide.