

HOW LANGUAGE TRAINING CAN HELP BUSINESSES SUCCEED GLOBALLY

American businesses that expand their global presence may find lucrative opportunities: new markets for products and services, greater access to customer share, dominance in an overseas niche, and exposure to foreign cultures, to name a few.

Reaching out into the world puts a spotlight on employees' abilities and skill sets. In particular, the key role that language and cultural awareness plays in today's marketplace.

Whether teaching a foreign language to employees working abroad or providing English instruction to workers here in the U.S., it's imperative that companies address this situation thoughtfully, strategically, and competently.

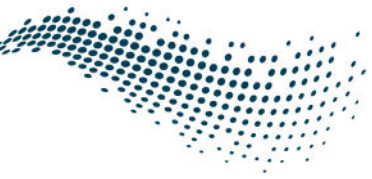
According to the Society for Human Resource Management, "Having workers who can speak and work in non-native tongues is important to organizations competing in an increasingly global economy, whether that involves attorneys dealing with international clients or a hotel's custodial staff interacting with guests."¹

Dealing with multiple cultures without a pragmatic language training program could be catastrophic. When employees are unable to communicate effectively with customers who speak a different language, the companies they represent may come across as unprofessional. That compromises the unique value a business offers.

Providing language training to employees is the obvious answer. But even that solution can have drawbacks. For instance, companies operating in multiple countries might have various or different language learning providers, resulting in an inefficient and costly use of resources.

From a human resources perspective, unifying the language training programs already in place or implementing a centralized, simplified solution is critical.

English is seen as the lingua franca for businesses across the globe. Still, it's important for employees to understand not only the local language, but also the local culture to



build trust with overseas partners and customers. Companies need to consider their overarching plans for growth with sensitivity to cultural norms and then deploy the necessary resources to adequately prepare their workforce.

In assessing the need for language training for companies with an eye toward global expansion, Workforce magazine says: "Investing in language training benefits employees as they transition into expat assignments and helps to create a more global corporate culture, which is key for multinational organizations looking to gain an edge in new markets."²

This paper looks at these issues and proposes cost-effective solutions that any company could put into practice to strengthen global expansion efforts.

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SETBACKS TO COMPANIES WITH POORLY TRAINED EMPLOYEES

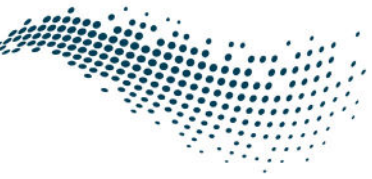
Companies are judged in large part by the caliber of their employees. Well-trained workers reflect favorably on a business, make good first impressions

on customers, and reinforce existing relationships positively.

This is especially important for companies enlarging their global presence. An article published by the Society for Human Resource Management says, "Several experts agreed that many countries will give English speakers a pass if there is an earnest attempt at speaking and learning the foreign language."³

On the other hand, poorly trained employees can damage a company in obvious and sometimes subtle ways. A loss of business or ruined relationships with customers, suppliers, and even fellow employees is just the tip of the iceberg, potentially leading to:

- **Sabotaged opportunities.** Without a proficiency in the local language or sensitivity to the culture, workers may unwittingly undermine their company's plans to expand to overseas markets.
- **Decline in employee productivity.** Even a single unprepared employee can wreak significant damage on a company. According to Kinesis, a marketing firm: "Studies show that just one bad apple in an otherwise high-performing group can bring down productivity by as much as 30 to 40 percent."⁴
- **Difficulty recruiting workers, especially millennials.** Few workers will stick with a company if their needs are not met, particularly millennials. A report from PwC on millennial workers found that "personal learning and development...remains their first-choice benefit from employers."⁵
- **Higher turnover rate.** Companies that don't invest in employee training typically see a higher churn rate among workers. According to a report from IBM, "Employees who



do not feel they can achieve their career goals at their current organization are 12 times more likely to consider leaving than employees who do feel they can achieve their career goals."⁶

- **Unprofessional image.** The larger business community, as well as customers, prospects, and suppliers, are disposed to looking unfavorably at companies where the workforce performs poorly or incompetently.
- **Damaged reputation.** Employees who do not possess adequate language skills or are unaware of the protocols of a local culture will lose their customers' trust. They also are quite likely to find negative reviews written about their performance on social media channels.
- **Decline in team morale.** Poorly trained workers can drag down even the smoothest running workforce operation, causing significant damage. A report from Gallup found that disengaged employees "cost the U.S. \$450 billion to \$550 billion per year."⁷

Some have argued that skilled interpreters could adequately and readily assist a company's global expansion efforts, thus eliminating the need for employee language training. However, hiring a team of interpreters could be costly, and they likely wouldn't possess a deep understanding of the business as found in the permanent workforce.

Companies risk their reputation, profits, and future growth by maintaining workers who lack the necessary language skills to meet the demands of today's global marketplace. On the surface, insisting that employees come to the workplace with language proficiency would seem to be the logical answer.

The reality, however, is more complicated. Let's take a closer look.

BARRIERS TO OFFSITE LANGUAGE TRAINING

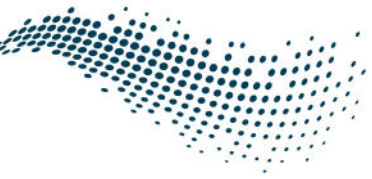
The obvious solution is for employees to hone their language skills so they can do their job confidently and represent the company with professionalism, authority, and awareness—particularly when the business is reaching into foreign markets.

Less obvious is how employees should acquire these skills. Some would argue that it's up to the employees themselves to develop their skills. After all, shouldn't they come to work prepared? Aren't they paid to perform their jobs competently?

While this point of view has merit, it doesn't tell the whole story. Certainly, many workers have the interest, drive, and desire to improve their language skills. However, the road to that goal is littered with obstacles and hurdles that make language training on their own nearly impossible. These barriers include:

- **Lack of time.** According to a survey of HR leaders, "The most frequently cited barrier to success with language learning was employee workload....Employees were simply too busy to complete training, even when the need was clear."⁸





- **Class schedule conflicts.** A report from the Brookings Institution found that language classes, such as adult education, were scheduled at inconvenient times that did not mesh with workers' availability.⁹
- **Personal obligations.** Workers must also shoulder family commitments and other outside responsibilities, which further eat up any outside "free" time for self-improvement.
- **Inconsistent instruction quality.** Many adult education courses, through no fault of their own, must contend with outdated class materials, overworked teachers, and underfunded resources. A report from EdSurge discovered that adult education courses were unable to promise a consistently satisfactory classroom learning experience.¹⁰

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In addition to these chronic problems, practical outside language training options are limited. Adult education courses are popular, so it's not surprising that classroom space typically fills up quickly. These programs are impractical to handle the surging demand. Further, outside classes do not always offer the type of cultural awareness training that global companies require.

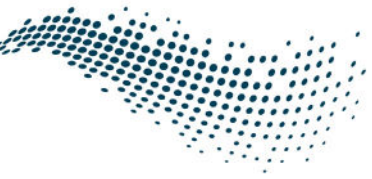
As many are discovering, company-sponsored language training is often the best, smartest, and most efficient answer. Read on to learn why.

BENEFITS OF COMPANY-SPONSORED LANGUAGE TRAINING

At first glance, some might object to company-sponsored language training as another needless business expense that should be rightfully borne by employees.

However, as research shows, companies that take the lead in providing language training for their workers come out ahead—way ahead—in nearly all areas of business. Consider the benefits that company-sponsored language training provides:

- **Builds a millennial workforce.** Businesses that offer language training and the chance to work in foreign cultures will attract talented millennials. A report from PwC found that 71 percent of millennials will look for international assignments during their careers.¹¹
 - **Strengthens employee loyalty and retention.** According to a report from IBM, "Training and an investment in developing a skills building culture dramatically impacts employee retention....62 percent of new hires intend to stay when training is provided."¹²
 - **Reduces bias.** Companies that develop cultural and world language knowledge and understanding among their employees fuel organizational diversity and inclusion efforts, resulting in a more cohesive, adaptable workforce.
 - **Deepens work engagement.** Employees who are adequately trained perform at a higher level, enriching the company overall. A 2013 Gallup study found "that
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companies with engaged workforces have higher earnings per share" and a 21 percent jump in productivity over disengaged workforces.¹³

- **Enlarges pool of workers.** Companies that invest in employee training will attract a higher quality of employee applicants for open positions. Indeed, "35 percent of millennials say that excellent training and development programs make an organization an attractive employer."¹⁴
- **Fortifies relationships.** Employees who feel engaged with their work, invested in the company culture, and have the language skills to express themselves confidently will forge stronger relationships, both internally and externally.
- **Builds trust.** Speaking the local language and possessing a deeper cultural awareness builds trust wherever a company does business around the world.

Added up, language training is perhaps the most essential and strategic tool for any company establishing or expanding their global presence. So, how should a company come to an informed decision about the type of training to pursue? Read on.

COME OUT AHEAD WITH ROSETTA STONE® LANGUAGE PROGRAMS

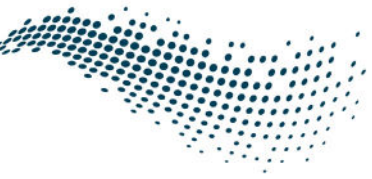
Having a workforce with high language proficiency gives any company a competitive edge, especially as it expands its presence in the global marketplace.

Trained employees will collaborate easier, feel integrated in the business culture, exhibit greater company loyalty, boost productivity levels, and more.

Selecting a company-sponsored language training program that can work with an organization to achieve these goals is vital. To that end, the benefits of online training from Rosetta Stone are worth considering.

Depending on its location around the world, a company might have different language learning providers. Hence, a training program from Rosetta Stone that centralizes and simplifies the process into a single solution is a critical advantage. Take a look at these benefits:

- **Scalability.** Rosetta Stone can scale a program to meet any company's unique demands and requirements.
- **Flexible solutions.** A customizable language training program addresses the circumstances for businesses, ensuring the best use of company resources.
- **Anytime/anywhere training.** Enabling workers to train and study at practically any time and in any location ensures a stronger commitment to learning, deeper engagement, and faster progress.
- **Unlimited accessibility.** Workers can access their training on desktop workstations, laptops, tablets, and smartphones so they are only a finger swipe or key-stroke away from enhancing their language skills.



- **Customized learning.** Tailored language programs can take the shape of eLearning, virtual tutors, or instructor-led training—whatever works best for a particular business.
- **Immersion.** Employees begin learning and speaking immediately in their new language, preparing them to adapt in real conversations.
- **Speech recognition.** Instant pronunciation assistance is always on, helping learners to build speaking confidence at their own pace.
- **Tutoring.** Employees practice speaking during live, online conversations with native-speaking tutors in a comfortable environment where they won't feel judged.

Leveraging the advantages of a Rosetta Stone® language training program can result in long-lasting success. Let's see how one company came out ahead.

ADDING VALUE TO THE BUSINESS AND EMPLOYEES

Operating in 41 countries around the world, TripAdvisor is a dominant player in the travel industry. Not surprisingly, the company needed a workforce that was proficient in many languages to serve its many customers around the world.

Like many other businesses, TripAdvisor found it daunting to arrange language instruction that would fit the hectic schedules of its far-flung employees. The company also needed a curriculum that was consistent and offered a superior learning experience.

Rosetta Stone set up a program for TripAdvisor that emphasized anytime/anywhere instruction, centralized language training across the globe, and easy access to lessons on any digital device to accelerate employees' progress.

"After just two months of study with Rosetta Stone, learners saw a noticeable increase in their language proficiency, providing both business and personal value."

—KRYSTA ORZEL
A GLOBAL LEARNING SPECIALIST AT TRIPADVISOR

After implementing the program, TripAdvisor reported:

- Increased intercompany and client communication, as well as fulfilled job requirements
- Improved language proficiency for 92 percent of learners in just 60 days
- Speedy language acquisition satisfied over 95 percent of learners
- Significant cost savings over classroom offerings with a higher participation rate

According to Krysta Orzel, a global learning specialist at TripAdvisor, "After just two months of study with Rosetta Stone, learners saw a noticeable increase in their language proficiency, providing both business and personal value."

Or, in the words of a Singapore-based TripAdvisor employee: "LOVE IT! Rosetta Stone allows me to pick up a new language on my own and at my own learning pace after work hours. I like how easy it is to follow the course."¹⁵



TRAINING WORKERS TO SUCCEED GLOBALLY

Doing business in our interconnected world takes more than traditional business skills. While these capabilities are still relevant and important, companies also need to ensure that workers have the language proficiency and cultural awareness necessary to interact with parties around the globe.

With so much at stake, companies that make language training a priority will reap rewards on an ever-expanding scale and earn the trust of a worldwide audience.

Rosetta Stone can provide the custom-tailored, learner-focused solutions and options to help you claim, protect, and expand your expertise in a global world.

Go to the Rosetta Stone [portal](#) to get more information specially prepared for human resources managers and line of business leaders.

Or [contact Rosetta Stone now](#) to request a consultation about setting up a language training program for your employees.

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