

The use of english as a common corporate language in international business

Употреба енглеског као званичног језика корпорација у међународном пословању

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Сажетак: Сада је већ опште призната чињеница да су утицаји глобализације у значајној мери присутни у свим сферама савременог живота. Свет пословања није изузетак, што се најбоље види у установљавању глобалне тржишне економије у којој су скоро све мреже интернационалног карактера. Имајући ово у виду, скоро је немогуће замислити компанију која опстаје и напредује на глобалном тржишту а која није имплементирала стратегију усвајања званичног, заједничког језика компаније. Ово, у сваком случају, није лак задатак јер може бити праћен извесним импликацијама како на индивидуалном тако и на корпоративном нивоу али и поред тога, немогућност превазилажења језичке баријере има много значајније последице које се негативно одражавају на ефективну комуникацију, дељење знања и информација као и на процесе одлучивања. Распрострањеност енглеског језика у свету довела је до његове неприкосновене доминације у међународној комуникацији која се огледа како у броју људи који говоре енглески као страни језик тако и броју интеракција на енглеском у интернационалном пословању. Из овог разлога, управо енглески језик најчешће налазимо у улози званичног језика комуникације у мултинационалним компанијама.

Кључне речи: глобализација, ефективна комуникација, међународно пословање, званични корпоративни језик.

Abstract: It is now widely acknowledged that globalization has had a huge impact on all aspects of contemporary life. The world of business is no exception, which is best seen in the creation of global market economy in which almost all networks are international. In this light, it is almost impossible to imagine a company surviving and thriving in the global market without implementing a common corporate language strategy. This is not, in any sense, an easy task because it may have certain implications on both individual and corporate level that need to be addressed, but inability to overcome the language barrier interferes with effective communication, information and knowledge sharing as well as the decision making processes. The worldwide spread of English as a lingua franca has resulted in an unprecedented dominance of the language in international communication. The extent of the expansion of English is seen in the fact that non-native speakers have outnumbered native speakers by now, and also in the use of English in most international business interactions. For this reason, English is typically found in the role of the designated language for communication in multinational corporations.

Keywords: globalization, effective communication, international business, common corporate language.

1. Introduction

Today's world of business and the way we see and understand it, is a direct product of an ongoing process that has had a huge impact on all aspects of contemporary life – globalization. We may freely say that this phenomenon has become the key defining

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force of the modern civilization, driving a construction of new economic, social, and political world orders. The era we live in is characterized by significant and rapid changes responsible for fundamental sociopolitical transformations as well as those relating to the world of business (Dewey 2007; Giddens 2002). The national has given way to international in almost every economic sense for globalization has widened, deepened and speeded up overall interconnectedness creating a global market economy in which almost all networks are international (Ohmae 1995).

Accordingly, companies aspiring to remain competitive in these newly arisen circumstances have had to carry out significant changes of both structural and operational nature. Also, modern business is seeing a growing number of companies expanding internationally through branches not only in different countries but on different continents, or by means of evermore present mergers and acquisitions. There are many challenges imposed on multinational organizations that require intense coordination for such geographically, culturally and linguistically diverse networks to be managed. Global coordination has become an important source of competitive advantage which highly depends on successful global communication (Feely & Harzing 2002). In order to overcome the geographical distance within multinational companies, effective communication is necessary but at the same time, cultural distance makes global communication essential (Spinks & Wells 1997).

In their attempts to meet the pre-requisite of effective global communication, multinational companies have invested heavily in modern-day communication tools such as global intranets, video conferencing, global IT systems integration and alike, that make information sharing faster and easier. However, all these tools turn out to be insufficient when language occurs as the ultimate barrier to successful communication. The issue of cross cultural communication can be approached from many angles, but despite the crucial role language plays in communication, it has received little attention and has been referred to as the 'forgotten factor' (Marschan et al. 1997) in multinational management.

2. Common corporate language and language management

It is obvious that common language is necessary for any communication to take place which is not an issue in national business environments where a shared native language is a logical option without much consideration. This may change dramatically when a national company starts expanding and/or recruiting internationally. Under such circumstances the language issue comes to the fore and needs to be addressed with great care in terms of choices of strategies that are to be made. Language management is a concept that takes into account the communicative needs of linguistically diverse organizations resulting in a clearly formulated policy on a common corporate language or languages.

There are several factors that may affect the choice of language management strategies. Firstly, the level of language diversity needs to be evaluated which of course depends on the company's global network of branches, suppliers, joint ventures, etc.

The fact is that it is not always possible to manage all languages that are present within a multinational company even though there are companies such as Microsoft that have the capacity to employ strategies to manage around 80 different languages (Feely & Harzing 2002). Even so, this is not very realistic to expect and most companies tend to reduce costs by choosing one or two common corporate languages. In addition, not so long ago international business communication was on the part of small groups of language specialists but now – the need for effective global communication and coordination has become integral to almost all business functions and at multiple levels. The extent to which different functions need to be engaged in cross cultural communication is another relevant factor when deciding on possible language management strategies. Furthermore, the level of language skills required needs to be closely examined before any of the strategies is implemented. The skills required for different positions may vary significantly, which means that a receptionist, IT expert and an international manager are not expected to have the same level of language command in order to be effective in performing their daily tasks.

Having evaluated the dimensions of the language barrier, companies need to choose how to formulate their language strategy from a range of options. One of these options is to identify and adopt a common corporate language to be used in both formal and informal communication which is what most companies opt for. There are also other approaches such as functional multilingualism (Hagen 1999), which inevitably implies the burden of frustration while trying to communicate in a ‘cocktail of languages’ and increases the chances of cognitive divergence between the parties involved in the communicative situation (Feely & Harzing 2002). Another possible solution is to rely on external language resources such as specialized interpreters but the difficulty with this approach is that it is costly and, in addition, most professional interpreters require at least some insight into the subject matter in order to be fully effective, which is not always possible due to the complexity of the matter, the lack of willingness to share too much information with an ‘outsider’, or the length of time needed for preparation.

Even though introduction of a common corporate language is the strategy chosen by a number of multinational companies, there are certain implications that need to be taken into account. These may become evident at two levels: at the micro or individual level and macro or corporate level (Bjorge & Whittaker 2014). At the individual level, adopting a common corporate language frequently causes a certain amount of psychological stress that tends to be underestimated by companies. To start with, it is highly unlikely for all employees to have the same level of proficiency in the newly adopted language which potentially leads to a situation where employees with inadequate language skills may find it difficult to perform tasks using the corporate language as a means of communication. In addition, these same individuals face a sort of disempowerment due to their inability to use the power and influence granted to them by their professional status. This typically results in avoiding situations in which the use of the corporate language is required in both professional and social contexts. Extended to the corporate level, such issues may cause problems in communication channels,

information and knowledge sharing, the decision making processes and they may even affect organizational culture in general (Bjorge & Whittaker 2014).

Nevertheless, serious preparation, planning and training should minimize the negative effects of a corporate language change. What must be kept in mind is the fact that implementation of a new language policy is a gradual process which, in the long run, delivers a number of benefits and that the issues mentioned are only temporary for they can be resolved provided that the language strategies are aligned with the company's overall commercial strategy. This appears to be of great importance in the case of multinational companies which have branches in countries of different national languages. For such corporations, it is crucial to adopt language systems that simultaneously provide support to both global integration and local adaptation (Bjorge & Whittaker 2014). Otherwise, the lack of a common language as a basis for effective communication may seriously affect the overall performance of an organization.

The effects the language barrier produces should not be measured by costs of interpreters or time spent on document translation because the true cost is best seen in the way such a barrier affects and damages relationships (Feely & Harzing 2002). From this point of view, the consequences caused by the language barrier reflect in the raise of uncertainty and suspicion, emphasized by group divides lack of trust and polarized perspectives and cognitions. The issues mentioned are, of course, only the beginning because given the importance of effective communication, it is not plausible to expect any aspect of management to remain unaffected by increased uncertainty, mistrust, conflict and cognitive divides.

3. English as a common corporate language

When a group of people of different linguistic backgrounds need to communicate with each other, there are a few options they can choose from. They can decide to speak in the language of one of the participants in the communicative situation; use an interpreter; or choose a language all of them are familiar with but which is not the first language to any of them. Choosing to communicate in the language of one of the participants may not be the best solution because this may put at a disadvantage the participants to whom the chosen language is not their mother tongue. Also, it is often difficult to find an interpreter who is both trustworthy and familiar enough with the matter being discussed. This is why, most frequently, the parties involved decide to use a language shared by all the participants but which is not their native language. Typically, this role of the designated language for communication is attributed to English.

Different languages dominated in the role of lingua franca throughout history, out of which Latin and French are some of the best-known examples. Their use as a lingua franca was conditioned by the then-current political and economic circumstances just as there are a whole range of historical and socio-cultural reasons for the present use of English in the same manner. Even so, the present position of English is unprecedented in history (Bjorge & Whittaker 2014), which is seen in geographical distribution of the language acquired through political expansion, the use of the language in inter-

national organizations such as the United Nations and European Union, as well as in scientific publications and popular culture. In addition, such state of the affairs has been greatly facilitated by the rapid expansion of internet communication (Crystal 2003). In the same vein of thought, it is of no small importance to mention the trend of internationalization of higher education in terms of higher mobility and exchange of graduate and postgraduate students. The trend has become ever more pronounced after the harmonization of European educational systems by means of the Bologna Process which strongly encourages the use of English (Graddol 2006). In accordance with this, English is now the dominant language of most scholarly journals and publications of international significance.

Taken into the international business arena, English is most frequently the first choice for the common corporate language as well as international business communication in general. Multinational companies are typically the result of cross-border mergers and acquisitions and in such environments the choice of the common corporate language is one of the key factors in reconstructing a new corporate culture and balancing power between the parties involved (Piekkari et al. 2005). The choice of the language which is the native language of one of the parties may be interpreted as an expression of dominance and greater influence of the party in question. This consequently creates the sense of marginalization among employees of other linguistic background who may also feel at a disadvantage due to their inability to express their views and opinions in the same way as in their native language. For such reasons, English seems to be a neutral language which emphasizes equality between the merging parties of non-English background and accordingly, it may well balance the relationships within the merged organizations (Piekkari et al. 2005). An additional benefit of using English as a common corporate language can be seen in the need to signal the international character of a company, especially when taken into account that English is the second most widely spoken language in the world. Due to its dominant role as a lingua franca, as well as its worldwide presence in conducting international business, English almost always seems to be the common ground in attempts to overcome language barriers and thrive in global economy.

What must be pointed out is that the situation may significantly change when English is the native language to one of the interested parties. Given the situation in which, for example, a Dutch, a Russian and a Japanese employee need to communicate in an important meeting and none of them has excellent command of English, they are most likely to communicate effectively due to their awareness that all of them tend to make mistakes and speak in a manner far from the native norm. This kind of communicative environment makes communication more relaxed and easier. On the other hand, when native English speakers participate affective factors come into play and hamper non-native speakers' performance (Bjorge & Whittaker 2014). The problems that arise find ground in the tendency of native speakers to use regional English accents, which are difficult for non-native speakers to understand, and to use the speech of high speed and low volume. In addition to this, the use of idiomatic expressions does not make the communicative situation any easier. Consequently, non-native speakers

may find themselves marginalized and not having a complete understanding of organizational processes.

As already mentioned, the level of proficiency may vary significantly among employees but even the speakers with relatively high level of proficiency can find it difficult to communicate effectively when the communicative task entails the use of humour or symbolism. In addition, the language of negotiation and persuasion involves different means of expressing opinions and interrupting which requires almost a native-like level of attainment. This is not a standard easily met, but at the managerial level language skills may even outweigh professional ones when it comes to career prospects (Feely & Harzing 2002). However, there are ways to, at least partly, resolve these issues. When it comes to written communication, some of the company's resources should be allocated to set up templates and give general guidelines for corporate email correspondence and meetings minutes and reports. Oral communication in meetings and negotiations between native and non-native speakers can also be facilitated. The point here is to shift the focus from how people say something to what they say. Also, native speakers should be encouraged to use simple vocabulary without too much use of metaphor and idioms and speak clearly and slowly. Summarizing occasionally is also a good idea along with the use of repetition and rephrasing to avoid possible misunderstandings (Bjorge & Whitaker 2014). Language training is another option which could be a part of personnel development programme and/or certain level of language proficiency could be set as a job requirement when recruiting new staff.

4. Some implications of the spread of English as a lingua franca

It is now a widely acknowledged fact that non-native speakers of English have outnumbered the native speakers and what's more, most interactions in English happen between non-native speakers of the language. Accordingly, a considerable body of linguistic research has emerged investigating the implications of such spread of the English language (Dewey 2007). The issues discussed in literature range from linguistic imperialism (Phillipson & Skutab-Kangas 1999) through reconsidered views of communicative competence (Leung 2005) to the establishment of English as a lingua franca (ELF) as a field in its own right (Gnutzmann & Intermann 2005). The research directed towards the use of English as a lingua franca is of greatest importance within the general topic discussed above since it investigates the impact of the globalization of English on the norms of its use in international contexts.

Viewed from transformationalist perspective, globalization is not to be understood as a straightforward Americanization or Westernization (Dewey 2007). After the end of the Cold War, the world has become rather polycentric in nature due to the significant development and newly acquired geopolitical influence of the European Union, Japan, China and India. This has produced a number of linguistic implications in terms of the current status and future development of English. Most notably, the significance of the native speaker is rapidly declining and it has been estimated that by 2050 speakers of nativized Englishes will outnumber the native speakers by far and the lan-

guage will be primarily used as a second language in multilingual contexts (Graddol 1999). On the other hand, such spread of English caused by the globalization process has raised concern in relation to possible marginalization of other national languages. This, however, is in contrast with a plurality in impacts of globalization because globalization technologies have enabled a steady growth and renewed interest in many minority cultures and languages such as Euskera (Basque), Frisian or Welsh, of which there is now greater international awareness (Dewey 2007).

Research studies investigating the ELF field provided an important insight into how lingua franca interactions are transforming the English language. A number of features have been identified that are typical of EFL talk, which are a result of a natural tendency for effective communication. These innovations are seen in exploiting redundancy, enhancing prominence, increasing explicitness and reinforcement of proposition (Dewey 2007). Most importantly, some of the EFL characteristics are also found in varieties of English as a native language (ENL) but there are also those which are not (for example the use of a relative pronoun in combination with a subject pronoun for anaphoric reference).

The question that arises at this point is whether the standard of ENL should be pursued as the only one that is acceptable as the norm. This is very unrealistic in international business contexts because it is a standard very difficult to meet by non-native speakers, if ever possible in some cases. What must be kept in mind is that the emphasis in achieving communicative competence is on the process of communication rather than mastery of language forms (Richards & Rodgers 2001). While EFL still awaits to be identified as a language norm, the benefits of its use as the most valuable means of communication in international business have already been widely recognized and acknowledged.

5. Conclusion

In the era of globalization, almost all networks have become international and a significant part of business operations take place in the international arena. Such increased interconnectedness has led to the creation of global market economy in which international trade challenges the companies to continually adapt to global market conditions. This is a demanding task that becomes even more difficult whenever language is a barrier to international communication.

The need for global communication becomes particularly prominent in the case of multinational companies where such capacity is essential to enhance their global coordination. It would be impossible to manage such geographically, culturally and linguistically diverse networks without intense coordination which, on the other hand, highly depends on effective communication. In this light, the language issue comes to the fore because a shared language is a pre-requisite for successful communication to take place. The question of the language barrier is to be resolved through carefully planned language management strategies that take into account the communicative needs of linguistically diverse organizations.

Introduction of a common corporate language appears to be a reasonable solution for many of the communication issues caused by the language barrier. Because of the unprecedented dominance of English in the role of lingua franca, it is rather frequently chosen to be the official language in multinational corporations. Even though there are certain implications of such language policy, the problems that arise due to the lack of a shared language may deliver far more devastating consequences affecting the overall performance of an organization.

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Resume

The paper sets out to shed some light on the issues in relation to effective communication in companies operating in the global market. The process of globalization has had a huge impact on all aspects of modern life and accordingly, it may be said that the era we live in is characterized by significant and rapid changes responsible for fundamental transformations in both sociopolitical and economic sense. From the economic perspective, globalization has widened, deepened and speeded up overall interconnectedness resulting in a global market economy in which almost all networks are interna-

tional. For this reason, intense coordination has become one of the key sources of competitive advantage of companies operating in the global market. Coordination of geographically, culturally and linguistically diverse networks is not an easy task, but it becomes much more difficult with the language barrier in the way of effective communication. Adopting a common corporate language in multilingual environments is a strategy commonly employed in order to enable effective global communication. Apart from providing a common ground for sharing information, ideas and knowledge, this strategy reduces the risks of emphasized group divides, lack of trust and polarized perspectives and cognitions. Having in mind the role of English in international communication, brought about by a whole range of historical and socio-cultural reasons, it does not come as a surprise that English is most frequently decided to be the official language in multinational corporations. On the other hand, due to the sheer number of non-native speakers of the language, English seems as a neutral language which emphasizes the equality between interested parties and balances the relationships within international organizations.