

ENHANCE EMPLOYEE PRODUCTIVITY THROUGH LANGUAGE TRAINING

As companies stake out a greater global presence, the language skills of their employees are more critical than ever before.

Communicating clearly and confidently with customers, prospects, suppliers, and vendors is key to the success of every business. Language skills impact nearly every facet of a company's operations, particularly productivity.

Yet, new research from LinkedIn found that many American employees lack this vital ability. "Communications is the No. 1 skills gap across...the United States," according to LinkedIn CEO Jeff Weiner.¹

Moreover, companies in many industries have already discovered the competitive advantages that a proficient English-speaking workforce can deliver—and the drawbacks that language deficiencies create.

But that's only half the story.

Companies increasingly need their employees to communicate in many languages. A recent report co-written by Forbes found that German, French, Spanish, Portuguese, and Japanese are preferred after English in the global business community.²

The point is clear: Language training is a priority in today's multilingual world. For a business to think otherwise is to risk missing out on sales opportunities, future growth, and recruiting tomorrow's workforce—particularly the millennials who will be recruited to replace the retiring Boomer generation over the next few years.

Indeed, 71 percent of millennials want to work overseas and seek out companies that can give them the opportunity to sharpen their language skills, according to a report from PricewaterhouseCoopers.³

This is just the tip of the iceberg.

Businesses that want to stay competitive, deliver sterling customer satisfaction, and add to their market share—in short, that want to stay productive and on top—need a workforce with language proficiency.



This paper will explore the negative impact that limited language skills have on companies in general and on employee productivity in particular. It will also assess the benefits of company-sponsored language training and suggest cost-effective solutions.

IMPACT OF LANGUAGE SKILLS ON PRODUCTIVITY

Language skills are a key driver of success in every department in every business, but they are most keenly important when it comes to productivity. Put another way: It is practically impossible for a business to produce the goods and services necessary to prosper with a workforce that lacks proficient language skills.

Such a lack of proficiency ripples across a business, with adverse effects:

A Forbes study of 100 American companies with \$500 million in revenue summed it up best: “67 percent of participants said that miscommunication contributed to inefficiency, 46 percent said that miscommunication reduced collaboration among employees, and 42 percent said that it reduced productivity.”

- **Employee alienation.** Workers who can’t communicate beyond the basics will feel increasingly isolated from their fellow workers and the essential mission of the company. According to a study by McLean & Company, the performance level of disengaged employees falls by 55 percent.⁴
- **Impaired collaboration.** Employees who don’t feel part of the team because

of their language shortcomings will naturally find it harder to work collaboratively and efficiently with their fellow workers, leading to productivity downturns and inefficiencies.

- **More mistakes.** Poor communication skills can lead to more mishaps on the job, potentially exposing a business to costly liabilities and lawsuits.
- **Missed opportunities.** Employees who are hampered by poor language skills will naturally be shy about sharing their ideas, thereby robbing the company of full use of their skills and expertise.
- **Higher turnover.** Poor language skills inevitably lead to higher turnover rates and lower rates of retention, causing companies to spend precious resources constantly replacing and training new workers, taking another bite out of overall productivity. One study from Cornell University estimates that it costs one-third of an employee’s salary to find their replacement.⁵
- **Skyrocketing costs.** Poor communication skills can result in projects that come in over budget, are delivered late, and don’t meet expectations.

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It's clear that workers without strong language skills can drag down a company's bottom-line and seriously undermine its productivity goals.

The obvious answer is language training for employees. But as we'll see in the next section, the pathway to that solution is not so clear cut.

BARRIERS TO OFFSITE LANGUAGE TRAINING

The threat that poor language skills poses to productivity is a reality that no business can ignore.

The ability to communicate with fellow employees, customers, prospects, vendors, and suppliers **in an interconnected, multilingual, and multicultural world** is critical to the prosperity and even survival of businesses today.

It's clear, then, that workers need language skills if they, too, are to survive, have a decent livelihood, and advance in their careers.

That said, it's not out of the question to ask: Shouldn't the responsibility for acquiring necessary language skills lie with the employees themselves? Aren't they ultimately responsible for possessing their own core competencies?

In a perfect world, the answer would be a resounding YES.

But we don't live in a perfect world. The realities of the world that we do live in make it difficult and sometimes impossible for workers and would-be employees to attain necessary language skills on their own.

An examination of common barriers will illustrate this predicament:

- **Insufficient time.** The pressures and stress of modern life leave little time for employees to develop skills on their own, especially something as challenging as language. As a survey of HR leaders conducted by Workplace Management magazine reports: "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."⁷
 - **Inconvenient class schedules.** Language classes, such as adult education, invariably conflicted with workers' schedules, according to a report from the Brookings Institution.⁸
 - **Family obligations.** Outside and personal responsibilities and modern-day family dynamics severely hamper employees who want to pursue language learning on their own time.
 - **Limited outside training options.** Adult education remains the most likely outside option for language training, but classes often have long waiting lists due to the overwhelming demand for training and the limited supply of qualified instructors.
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- **Unreliable training.** Even with well-meaning efforts, adult education classes are often underfunded and must work with limited resources, such as class materials and teachers. An investigation by EdSurge, an online resource that covers education and technology, discovered that some adult education courses were unable to give a consistent, high quality classroom experience.⁹

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When a company invests in training and shows a real commitment to their advancement, workers stay on the job.

Looked at soberly, the situation is certainly discouraging. As has been proved, language training is necessary for the high productivity that companies need. But even employees who desperately want to improve their skills and become assets to their companies face insurmountable challenges attempting it on their own.

Some may ask whether it even pays to train workers. Is it really worth it to the bottom-line to provide company-sponsored language training? Let’s see.

ADVANTAGES OF A LANGUAGE PROFICIENT WORKFORCE

In allocating resources for any project, the best-run companies make their decisions based on the return of investment (ROI). They want to make sure they get the best value for the time, money, and effort that they lay out—and rightly so.

At first glance, some might question whether investing in language training for employees is worth it. Is it really so critical to business success? Can’t a company simply “make do” with the workforce they already have?

Perhaps the best way to address that is to assess how language training can fundamentally bolster a company’s fortunes **across the board. In a recent report co-written by Forbes on language learning programs, researchers concluded:**

“The areas of the business that see tangible and significant benefits from the increased ability of employees to communicate are sales, marketing, and customer service, as well as the business as a whole.”¹⁰

Put another way: Language proficiency is the key driver behind overall productivity throughout a business.

Companies also come out ahead in myriad ways:

- **Fewer mistakes and safety issues.** Workers who understand their company’s policies, procedures, and expectations reduce the number of mistakes and minimize potential liabilities and lawsuits. An OSHA study “found that one out of every four accidents is language barrier-related.”¹¹
- **Lower turnover.** When a company invests in training and shows a real commitment to their advancement, workers stay on the job. The increased retention rates and greater loyalty reduce recruitment costs of new employees. **According to research from Forbes on the impact of employee language training, “Those who**





do the work and make significant progress or achieve their target level of proficiency are rewarded with better career tracks and assignments.”¹²

- **Stronger employee harmony.** Language can be the bridge that helps workers feel part of a team—more cohesive and more integrated into the work culture. Having workers with this sense of integration and collaboration results in higher morale and greater efficiencies in the workplace.
- **Faster problem resolution.** Workers with greater language proficiency can boost customer service across the board. The ability to deal with customer complaints by communicating clearly can save time and money, burnishing the company reputation among customers. “Reducing customer defections can boost profits by 25 percent to 85 percent,” according to *CSM: The Magazine for Customer Service Managers & Professionals*.¹³
- **Higher employee value.** Training employees to use language more effectively and helping them communicate with greater skill and confidence will allow them to contribute fully in all areas of the company, turning them into more valuable assets over time.

The impact on productivity of proficient language skills cannot be over emphasized, as this real world example demonstrates:

“At Huron Paper, a small, Chicago-based recycling company, the vice president recognized the need for improved communication. He invested in Spanish language training for management.... ‘My employees have noticed a huge difference in my communication, and we have improved productivity by 15 percent.’”¹⁴

As we’ve seen, committing to language training for employees can produce extensive benefits to companies that will accrue to every department for many years to come.

And the best way to ensure competent training on a regular basis is to implement a company-sponsored language training program—but what kind? Let’s examine that important question now.

SOLUTIONS FOR TRAINING YOUR WORKFORCE

After reviewing the issues swirling around this topic, it should be clear that a company-sponsored employee language training program is the most practical solution. Such an effort will not only ensure greater productivity, but also will make it easier for any company to compete in today’s global business environment.

To that end, consider Rosetta Stone.

Rosetta Stone works with all types of companies to come up with cost-effective solutions that align with their specific needs and deliver measurable results—giving any business unprecedented control and insight.





Among the advantages that a program from Rosetta Stone offers:

- **Scalability.** Leveraging its many technology-driven options, Rosetta Stone can help any business scale up a program to meet employee demand and requirements.
- **Flexible solutions.** Rosetta Stone can customize its language training program to meet practically any circumstances for businesses, ensuring the best use of company resources.
- **Anytime/anywhere training.** Using a language training program set up by Rosetta Stone, workers can get training almost anywhere and at any time, thereby accelerating their progress and commitment.

Rosetta Stone put together a solution that provided anytime/anywhere asynchronous study that worked on multiple technology platforms.

- **Unlimited accessibility.** Workers can access their training on any device they want—desktop workstation, portable tablet, mobile device, or practically any digital aid—so that they’re never more than a finger swipe or key stroke away from enhancing their language skills.
- **Customized learning.** Rosetta Stone can provide tailored language programs in the form of eLearning, virtual tutors, or instructor-led training—whatever works best for a particular business.

The benefits of company-sponsored language training, particularly with the resources of Rosetta Stone, should be plain to see by now. So how does a language training program look in the real world? Let’s find out.

CASE STUDY: ATTRACTING AND RETAINING STAR TALENT

Hitachi Data Systems had employees all over the world, each of whom needed to communicate correctly and clearly with a wide array of customers and cultures. Because of their global presence, employees worked under different circumstances and on different schedules.

Hitachi needed a flexible solution that enabled employees to train and practice language skills whenever and wherever they wanted to and on devices of their choice.

Rosetta Stone put together a solution that provided anytime/anywhere asynchronous study that worked on multiple technology platforms. After implementing the strategy, Hitachi reported:

- An increased ability to attract and retain talent
- Enhanced job-learning plans for participants
- A 75 percent return on investment in tuition savings from a decrease in classroom-instruction costs

Nick Howe, vice president of learning and collaboration for Hitachi Data Systems, summed up the experience:





“In a highly decentralized global workforce like Hitachi Data Systems, the need to communicate clearly across the world is paramount. Rosetta Stone helps us break down barriers and drive employee engagement.”¹⁵

As we’ve seen, companies that support their workers with career-changing initiatives like language training will see their productivity levels increase—and so much more.

LET LANGUAGE TRAINING BOOST YOUR COMPANY’S PRODUCTIVITY

As research, surveys, and actual examples from the business community prove, there is a direct link between productivity and a workforce trained in language proficiency.

Companies that have workers who can communicate in given languages will ultimately prevail in the global community over competitors that don’t invest in this vital skill.

Rosetta Stone is ready to help you leap ahead.

Go to the Rosetta Stone [portal](#) to get more information specially prepared for Human Resources managers and Chief Learning Officers.

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

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