



Six ways English skills can impact your business

and how to make sure your employees have the right level of English





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## BACKGROUND

A core part of the British Council's cultural relations mission is to improve and promote standards of English for companies, governments and educational institutions. With 80 years' experience providing English teaching and assessment, each year we administer 3 million exams and train over 300,000 people across 100 countries worldwide.

From our ongoing conversation with partners and clients we observed a gap between the increasing importance of English in the marketplace and the strategies and tools required to meet this challenge. Often businesses do not have sufficient knowledge of the English skills of their workforce and job applicants. We wanted to examine this issue and use our expertise to help companies turn language skills from an area of risk into a business asset.

# THE RESEARCH

To better develop our understanding of this topic, we worked with Euromonitor International to research the issue focusing on two primary objectives:

- to explore the key business areas where English skills are critical to success
- to measure the impact of poor English skills on profit.

The respondents to this research were human resources managers and business leaders from large international companies across diverse industries. They were asked to estimate the impact on their business results if employees could not communicate well in English.

The results reinforced our understanding that English is not just a basic job requirement, but an essential tool that can significantly affect business performance. Despite this, many companies did not realise what are the hidden costs and risks associated with poor English.



We have highlighted relevant data from the research throughout this ebook using the icon on the left. The level of dependency on English in each business area is indicated in the icon based on our research findings and analysis.





The following six business areas showed the strongest correlation between business success and quality of employees' English:

- Supplier costs
- International investment and sales
- Business intelligence
- International projects and tenders
- Internal communication and team co-operation
- Brand value and customer satisfaction

In this report, you will find a summary of our findings and advice on how you can ensure your workforce is equipped with the specific English skills needed for the job.

Keep reading to:

- better understand the impact of English on key business areas and revenue
- get our expert advice on improving the language strategy of your company with tips you can easily put into practice.



# SUPPLIER COSTS

#### Impact of English

Supply sourcing directly affects a company's profit as well as its ability to price competitively. Limiting the company to domestic suppliers only can lead to higher supply costs. Most companies look to site production in low-cost countries and source raw materials in bulk from the lowest priced seller.

High levels of English allow buyers to negotiate more effectively and get better prices. The importance of English in these cases is not only linked to sales but also to costs.



#### **OUR TIP**

Don't be fooled by false economies. Use reliable testing with specific benchmarks, backed by thorough trials and academic research.

Regardless of the size of your business, it is crucial you use tests supported by reliable academic research. Using unreliable tests that provide an inaccurate and misleading snapshot of the English skills of your workforce can result in significant losses or inefficiencies. Though retail prices of these tests are often lower, their real, long-term costs can be far higher.

# INTERNATIONAL INVESTMENT AND SALFS

#### Impact of English

Expanding beyond local markets requires marketing and sales departments that can communicate effectively with international clients – and a high level of English is essential.

According to many of the companies that took part in our research, diversifying their market presence was the best way to withstand domestic market crises. They highlighted international expansion as a key component of this because it allows their businesses to remain healthy even with a decline in the local market and English was identified as an essential tool in this process.



#### **OUR TIP**

Choose tests that show precise language skill gaps to best design and assess training programmes.

Testing staff before training helps identify employees' strengths and weaknesses in specific English skills. This allows you to group them for tailored training that focuses on improving those skills. In this way, you are optimising your training by targeting only the skills that need the most work.

Testing after the course gives you a clear picture of improvement and the areas that saw the best results. In addition, the results indicate whether the course achieved the desired improvements in language, and where more work is needed.

## BUSINESS INTELLIGENCE

#### Impact of English

Poor English can prevent managers from keeping up with industry trends and participating in international seminars, trade conventions and other business events. It may mean your company misses out on new opportunities, harms its reputation or fails to adapt to changing market trends.

For example, the product development process is heavily dependent on employees across the world being able to communicate in one language. An automobile company that took part in our survey said: 'We could not develop new technologies suitable for all markets if the input is not communicated in a common language'



**Banking** 

#### **OUR TIP**

The best time to test a potential staff member is during the recruitment phase.

Alongside business and technical abilities, you should establish candidates' English skills when recruiting. For posts that require English, it is crucial to be certain you are employing someone with the level of English required to perform effectively. Failing to do so early on can have a significant impact on future business performance. It can not only cause growth opportunities to be regularly missed but training employees once they are hired can prove costly if there are large language skill gaps.



# INTERNATIONAL PROJECTS AND TENDERS

#### Impact of English

International projects and tenders offer significant opportunities for growth in many industries, but developing competitive bids often depends on English. People with good English language skills are needed when bidding, negotiating and managing large international projects. If a company cannot articulate their bid well in writing, this will significantly damage their chances of being shortlisted

Furthermore, for shortlisted bids, a clear and confident presentation in English is essential to winning the contract. Bids are also underpinned by ongoing relationship building, which again requires confident speaking and listening skills.



#### **OUR TIP**

When recruiting, choose English language tests that can give you a full profile of the candidates' skills – speaking, writing, reading and listening.

Different positions require different levels of individual skills. An accountant or IT assistant who does not interact with clients face-to-face may need writing and listening skills more than speaking skills. The opposite is often true for customer services staff. Using a test that shows the level of each of these skills, instead of only an overall level, will give you the precise information you need for informed decision-making.

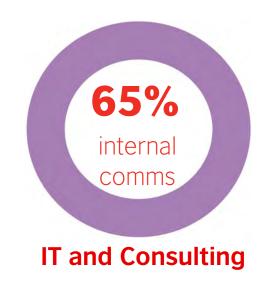


# INTERNAL COMMUNICATION AND TEAM CO-OPERATION

#### Impact of English

Due to the multinational nature of many projects involving teams in different countries, seamless teamwork also depends on quality English. The consequences of a simple misunderstanding can be costly, leading to inefficiency, higher direct costs and even accidents.

One IT company from our research said that 'although software developers can work without English, it is important to know the language to understand client requirements and cooperate with colleagues from other offices working on the same project.'



#### **OUR TIP**

Ensure that employees across all levels of your company have the right English skills.

English skills are critical not only for staff who deal directly with customers but also for those with managerial or technical roles. Ensuring these higher-level employees have the right English skills means they can keep up with industry trends as well as communicate this knowledge internally.

# BRAND VALUE AND CUSTOMER SATISFACTION

#### Impact of English

Our research confirmed that poor English can deeply affect how international customers perceive a company's brand. A good international brand image increases the perception of quality and industry leadership which is critical to winning clients.

As an example of how the perception of quality allows for higher prices, a respondent from the consulting and IT industry estimated that the company's prices would need to be five times lower if its employees did not have proper English skills, as this would damage their image in overseas markets.

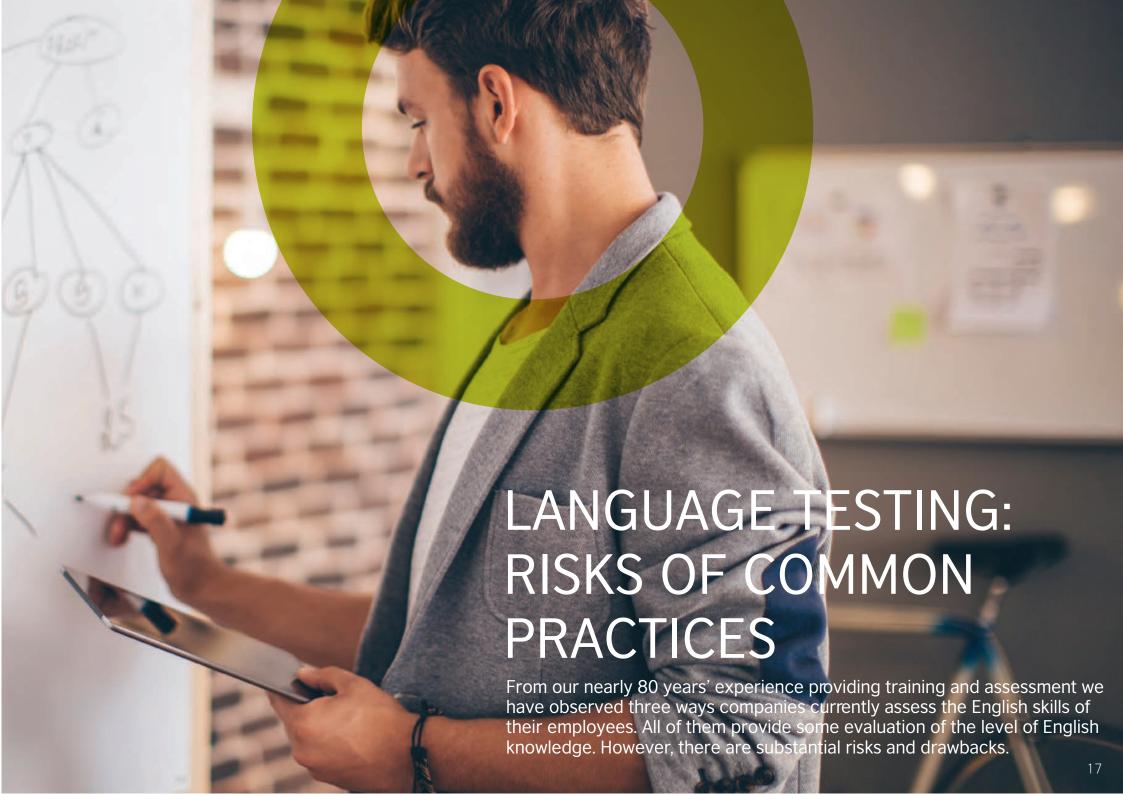


**Hotel Sector** 

### OUR TIP Map your employees' English skills to an international standard.

When employees deal with international clients, it is essential their English isn't just 'good' but can be shown to meet international standards. Choose a test that gives precise and accurate information on each of the language skills (speaking, writing, reading and listening) mapped to the Common European Framework of Reference – the international standard for describing language abilities.







# RELYING ON A BRIEF CONVERSATION IN ENGLISH

The primary risk associated with this method is that it evaluates only the conversational ability of the candidate, leaving their writing and reading skills untested, and it does so on a very basic and unreliable basis.

This could create a situation where you hire an employee who speaks English but has poor writing skills. Your company could be affected by this decision in a number of ways, from miscommunication with customers to costly production mistakes or accidents.

# USING TESTS THAT ARE NOT BACKED BY RESEARCH

Many companies use English tests designed locally or in-house. These tests are often not backed by research meaning they haven't been carefully trialled and therefore risk producing biased, incomplete and unreliable results.

Test trialling is essential to an accurate test to ensure that the questions are at the appropriate level of difficulty and produce reliable results. Trialling can last several months and is rarely included in test preparation by local or in-house English experts.

In addition, these tests do not give you the full picture as they are usually not designed to assess all four language skills – speaking, writing, reading and listening.





# TESTING EMPLOYEES WITH BASIC ONLINE TESTS

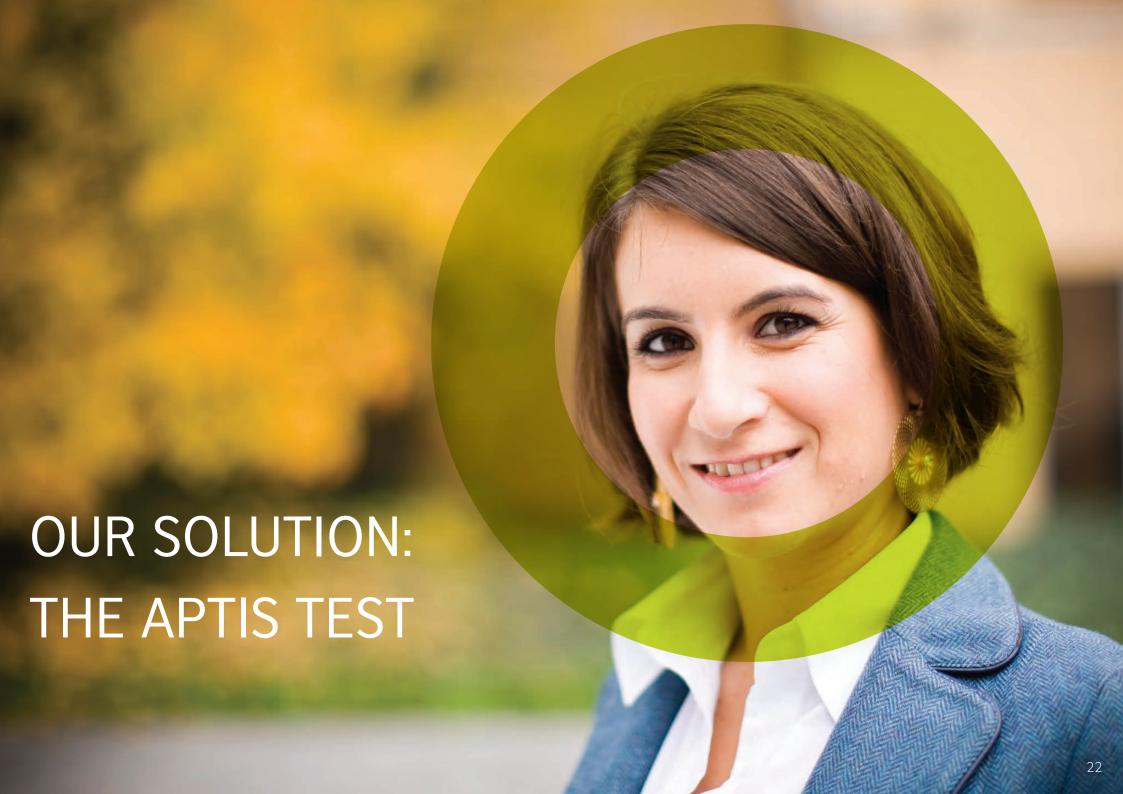
Using very basic online tests can produce a snapshot of a candidate's English skills that is too broad and does not include speaking or writing skills. As a result, they don't give a precise and comprehensive picture of one's ability.

Relying on these types of tests can make it difficult to know whether a candidate has the specific English skills (e.g. writing at fluent level, speaking at an intermediate level) which can put many aspects of your business at risk.

### OUR TESTING TIPS

- Don't be fooled by false economies. Use reliable testing with specific benchmarks, backed by thorough trials and academic research.
- Choose tests that show precise language skill gaps to best design and assess training programmes.
- The best time to test a potential staff member is during the recruitment phase.
- When recruiting, choose English language tests that can give you a full profile of the candidates' skills speaking, writing, reading and listening.
- Ensure that employees across all levels of your company have the right English skills.
- Map your employees' English skills to an international standard.

Although these tips are not industry-specific, they can give you a starting point for establishing your company's English language strategy. For a tailored solution, we are happy to talk to you, analyse your company's language needs and advise you on the best approach. Contact us for a free consultation.









To address the challenges associated with English skills in the workforce, the British Council created the Aptis English language test. It is our modern assessment solution that is both reliable and flexible.

We have designed Aptis to suit your precise needs and budget. With Aptis you have complete control over the time, place and language skills that are tested. As an assessment tool, Aptis allows you to make better-informed decisions about your recruitment, workforce development and English language strategy.

- Aptis provides reliable, accurate results on the English language skills in your organisation.
- It is convenient to deliver and easy to use so you can assess people quickly and affordably.
- It allows you to test the skills that are most relevant to your needs and get results fast.

If you'd like to find out more about Aptis and what we can do to help your organisation, click here.

