



ACTFL

AMERICAN COUNCIL ON THE
TEACHING OF FOREIGN LANGUAGES



Making Languages Our Business:

Addressing Foreign Language Demand Among U.S. Employers

Survey findings from the American Council on the
Teaching of Foreign Languages (ACTFL) with the support
of Pearson LLC and Language Testing International



Conducted by
Ipsos Public Affairs





The American Council on the Teaching of Foreign Languages (ACTFL) and the *Lead with Languages* campaign commissioned Ipsos Public Affairs for this research, with the support of Pearson LLC and Language Testing International.

The American Council on the Teaching of Foreign Languages

The American Council on the Teaching of Foreign Languages (ACTFL) is dedicated to the improvement and expansion of the teaching and learning of all languages at all levels of instruction. ACTFL is an individual membership organization of more than 12,500 language educators and administrators from elementary through graduate education, as well as government and industry.

Since its founding (in 1967), ACTFL has become synonymous with innovation, quality and reliability in meeting the changing needs of language educators and their students. From the development of *Proficiency Guidelines*, to its leadership role in the creation of national standards, ACTFL focuses on issues that are critical to the growth of both the profession and the individual teacher.

Lead with Languages

Lead with Languages is a national campaign powered by ACTFL, aimed at making language learning a national priority. The campaign promotes nationwide awareness and action around the rapidly rising importance of foreign language skills—in the workplace, and in the nation's economy, national security and international standing. Its ultimate goal is to create a new generation of Americans who are competent in other languages and cultures, and who are fully equipped to compete and succeed in a global economy.

Pearson LLC

Pearson is the world's learning company, with expertise in educational courseware and assessment, and a range of teaching and learning services powered by technology. Its mission is to help people make progress through access to better learning. Pearson LLC believes that learning opens up opportunities, creating fulfilling careers and better lives.

Language Testing International

Since 1992, Language Testing International (LTI) has been the leader in the development of language proficiency testing for more than 100 languages in over 40 countries. As the exclusive licensee of ACTFL, LTI conducts thousands of tests for small employers to Fortune 500 companies, including both state and federal government agencies and academic institutions.

Ipsos Public Affairs

Ipsos Public Affairs is a non-partisan, objective, survey-based research practice made up of seasoned professionals. It conducts strategic research initiatives for a diverse number of American and international organizations, based not only on public opinion research, but elite stakeholder, corporate and media opinion research.



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SECTION I.

Executive Summary





For U.S. employers, the demand for foreign language skills is greater than ever before. Whether it's in the boardroom, in the field, with customers and partners, or on social media, companies today are increasingly more likely to conduct business in a language other than English. Consequently, a command in multiple languages is a valuable asset for U.S. students and employees—not only in boosting their marketability in the workplace, but in helping them thrive in a global economy.

A 2018 survey conducted by Ipsos Public Affairs for the American Council on the Teaching of Foreign Languages (ACTFL) brings this reality to light in unequivocal terms: **nine out of 10 U.S. employers report a reliance on U.S.-based employees with language skills other than English, with one-third (32 percent) reporting a high dependency.** Moreover, demand is on a sustained rise. A majority of employers report that their need for foreign languages has increased over the past five years and project that it will continue to grow. The findings are in line with other surveys of hiring managers and human resources professionals pointing to a growing demand for foreign language skills over the past decade¹ and a 2017 report showing postings for bilingual workers more than doubled between 2010 and 2015.² Similarly, many employers in this study report a foreign language skills gap—i.e., that their employees are currently unable to meet the employer's foreign language needs—and that this gap results in lost opportunity and lost business.

In an era when STEM curricula are overshadowing all other subject areas, foreign language may often be treated as a competing discipline. Instead, it needs to be recognized as a complementary and often interdependent skill that produces the globally competent workforce employers are seeking. The authors of this report argue for a world-class U.S. education system that prepares its graduates to be proficient in other languages and cultures. In return, U.S. employers will benefit from a pipeline of prospective employees with the language skills they require to successfully compete in a global economy.

Staffing is very hard, trying to find someone that meets all the requirements for the job and who also speaks the language required.

— Midsize Professional Services Firm



We are a construction firm that needs manpower. We could hire more Spanish-speaking employees if we had managers able to communicate effectively in Spanish. It would open up new labor markets to us.

— Midsize Construction Company

REPORT HIGHLIGHTS

U.S. employers' growing demand for multilingual employees. There is a high demand for foreign language skills among U.S. employers (90 percent) with projections that this need will continue to grow. Midsize employers report a greater need for employees with foreign language skills compared to their smaller and larger counterparts. With a five-year outlook, employers in the healthcare and social assistance sector are the most likely to expect an increase in demand (64 percent), followed by employers in trade (59 percent), education services (57 percent), professional and technical services (55 percent) and construction (54 percent).

This strong and growing demand for foreign language skills is a natural result of evolving conditions in the U.S. marketplace. American employers are operating in an increasingly multilingual and multicultural economy in which 65 million U.S. residents speak a language other than English (40 percent with limited or no English proficiency³) and 96 percent of the world's consumers and two-thirds of its purchasing power reside outside U.S. borders.

Greatest shortages among high-demand languages. Overall, a third (34 percent) of U.S. employers reliant on foreign languages report a foreign language skills gap when asked if their employees are able to meet their foreign language needs. Further, the foreign languages with the greatest demand among employers also rank as having the biggest shortages. Eighty-five percent of U.S. employers say they're reliant on Spanish, making it by the far the most sought-after language. This is followed by Chinese (34 percent), French (22 percent) and Japanese (17 percent). Meanwhile, 42 percent of employers say they're experiencing a shortage in Spanish skills, followed by 33 percent, 18 percent and 17 percent reporting gaps in Chinese, Japanese and French skills, respectively.

Foreign language skills' impact on the bottom line. The assertion that English is the most widely used global language of business may be true, but American employers should not assume that they can rely on the English abilities of their customers, suppliers and partners. Nearly one in four employers surveyed overall acknowledges losing or being unable to pursue a business opportunity over the singular lack of foreign language skills—a finding that is consistent with other research on language skills' impact on a company's bottom line.⁴ That figure increases to 50 percent for those that say they have a foreign language skills gap. Even among employers that say they do not have a foreign language skills gap, 10 percent acknowledge having lost a business opportunity due to a lack of foreign language skills.

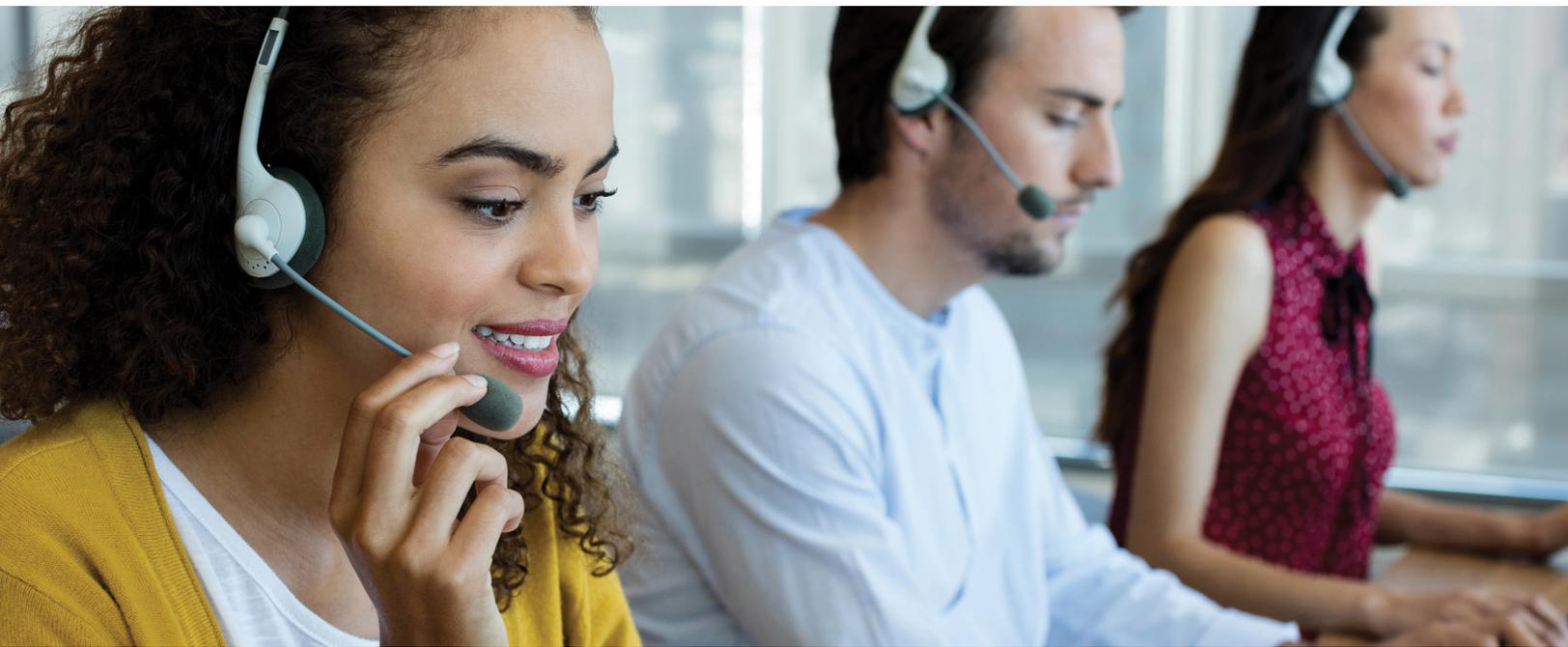


- Exporters are more reliant on foreign language skills than non-exporters and project a bigger need over the next five years. Furthermore, they are almost 60 percent more likely to have a shortage of foreign language skills, and more than twice as likely to lose business because of an insufficient foreign language capacity.
- The high-level conversation around foreign language business needs often centers around large organizations, which have more resources and flexibility in hiring. However, small and midsize employers, which represent 99 percent of all U.S. firms and employ over 50 percent of private-sector employees, are notably more vulnerable to losing business due to a lack of foreign language skills.
- Overall, midsize employers appear to be the most vulnerable to a gap in their language capacity. The data in this report suggests that as small employers mature into midsize organizations, their overall reliance on foreign language skills increases to a level on par with large employers. However, they are two and half times more likely than large employers to lose out on business due to a lack of foreign language skills.



My company has many overseas clients and [that's] why our leadership has made it a priority to hire people with different language skills.

— Midsize Professional Services Firm



It's imperative for Human Resources to have a dependable full-time translation service.

— Large Hospitality and Travel Employer

A high demand for foreign language skills in domestic and international markets. In almost every industry sector, the demand for foreign language ability is strong in support of both domestic and overseas markets. However, U.S. employers are almost twice as likely to deploy their foreign language capacity domestically than internationally, with 97 percent using these skills to some extent domestically, but only 54 percent doing so overseas (see “U.S. Employers’ Domestic and International Foreign Language Needs,” page 8).

Compared to U.S. employers with foreign language needs on the domestic front only, U.S. employers with at least some foreign language needs internationally have more use for all high-demand languages except Spanish. Most notably, this is the case with Chinese (46 percent vs. 20 percent), French (29 percent vs. 14 percent), Japanese (25 percent vs. 8 percent) and German (24 percent vs. 10 percent). Though Spanish has the highest demand overall, there is no significant difference in demand between groups.

Currently, 19 million U.S. working-age adults—about 10 percent of the United States’ overall working-age population—are of limited English proficiency. As a result, foreign language skills on the domestic front are proving essential not just in serving and selling to consumers, but in managing and communicating with employees. A majority of U.S. employers (58 percent) say that their employees use their foreign language skills to communicate both internally with colleagues and externally with customers, suppliers and other stakeholders. Another 13 percent say they use their foreign language capacity for internal communication, exclusively.

Use of Language Service Providers (LSPs) to complement in-house multilingual staff. Use of external language service providers (LSPs) also demonstrates the vital role of languages in meeting internal diversity and linguistic needs, with a majority of employers ranking translation of human resources and employee materials as the leading function for LSPs. Overall, two-thirds of employers report a reliance on LSPs, though almost universally as a complement to their in-house multilingual staff, rather than as a stand-alone service.

Tracking, testing and training. In the most basic measure of a company's language strategy, a majority of employers (58 percent) track the languages spoken by their employees. But only about a third (37 percent) of foreign language-dependent employers invest in language testing and 29 percent in language training, despite large gains in satisfaction with employee proficiency among those that do.

RESEARCH IMPLICATIONS AND RECOMMENDATIONS

These findings have significant implications for education policy. Specifically, they stand to influence how U.S. policymakers prioritize language education and recognize the role of language in staying economically competitive.

Insights from this study are also relevant for students and their families. In particular, this information will make them more aware of the increasing need for employees who are proficient in languages other than English. Accordingly, they will be able to make more informed decisions in planning their academic pursuits.

Additionally, the research points to seven critical steps to help employers address their need for language skills and build a company-wide language strategy. In particular, smaller organizations with fewer resources than their larger counterparts stand to gain the most from implementing practical and locally driven strategies.

These findings
have significant
implications for
education policy.

What Foreign Languages Mean for U.S. Employers

9 out of 10

rely on employees with language skills other than English

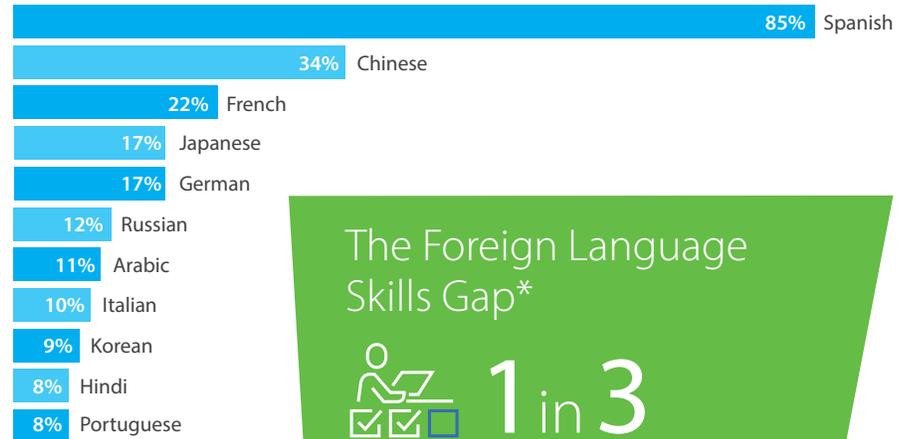


56%

say their foreign language demand will increase in the next five years



Most In-Demand Foreign Languages Reported by U.S. Employers



The Foreign Language Skills Gap*



1 in 3

foreign language-dependent U.S. employers reports a **language skills gap**



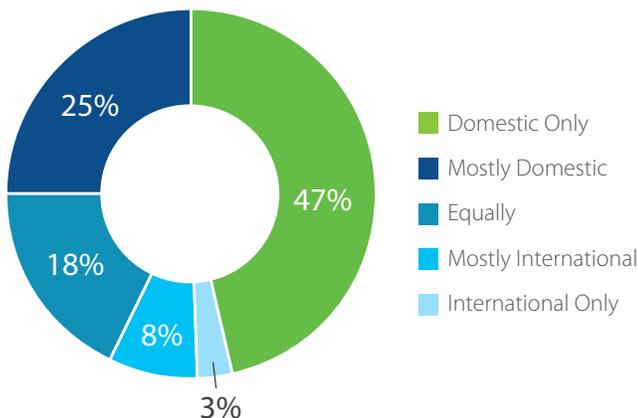
1 in 4

U.S. employers lost business due to a **lack of foreign language skills**

**A foreign language skills gap occurs when an employer has foreign language needs that are not currently met by its employees.*



U.S. Employers' Domestic and International Foreign Language Needs



Demand for Specific Foreign Languages, by U.S. Employers with Domestic-Only vs. International Foreign Language Needs



**Because employers with at least some international foreign language needs may also have some domestic needs, it cannot be assumed that a given language is necessarily used for the international market.*

Employer Recommendations

- 1 Conduct a Language Needs Analysis.** Identify linguistic strengths and weaknesses in your organization, and define current and future language needs. This helps create clear goals and measurable outcomes for attaining the necessary language capacity.
- 2 Conduct outside language testing and assessment.** Professionally test employees as a first step to identifying your workforce's linguistic strengths and weaknesses.
- 3 Maintain an inventory of the linguistic and cultural competencies of your workforce.**
- 4 Make foreign languages a strategic focus throughout the recruitment process.** Set hiring targets for employees with foreign language skills based on your organizational goals. Prominently communicate interest in employees with multilingual and cross-cultural competencies in all recruiting resources and corporate communications.
- 5 Train talented candidates and employees who lack the required level of language proficiency.** Immersive training, private coaching, online programs and blended learning methods are viable options.
 - Consider personalized, sector-specific training. Not all roles require full proficiency. Many require a working knowledge of a language within a specialized domain. Fulfill these needs with functional, immersive language training relevant to a specific field.
- 6 Identify and cultivate a pipeline of multilingual talent.**
 - Partner with colleges and universities with international studies, foreign language and study abroad programs. Articulate industry language needs to help them design relevant programs—including curricula promoting the functional use of languages in law, engineering, healthcare, tourism, social services or other sectors.
 - Offer internships and job opportunities for qualified students and recent graduates with the linguistic and global competencies your organization requires.
- 7 Advocate regional, state and national policies that are responsive to industries' foreign language and workforce needs, including the funding of early language-learning programs.**

SECTION II.

Introduction



Increasingly, U.S. employers rely on employees with language skills other than English to advance their business goals, and those employers unable to fill this need may find themselves falling behind in the global market.

Multi- or bilingualism is one of the top eight skills required of all occupations according to an analysis of close to 15 million jobs, touching both “low-” and “high-prestige” jobs.⁵ In 2013, foreign languages made the business headlines when the U.S. Department of Labor reported translators and interpreters to be among the 15 fastest-growing occupations; high growth rates continue, with a 2017 report ranking translators and interpreters as the number one emerging occupation for recent college graduates, with a projected growth of 31 percent between 2016 and 2026.⁶ Currently, the role of linguist is the only language-dependent occupation tracked by the Department of Labor alongside post-secondary foreign language educators. While this is an important indicator of language skills demand, it reflects only a fraction of the language needs in the U.S. economy.

Yet, despite the increasingly essential role of foreign languages in the U.S. workplace, the nation’s commitment to language education is conspicuously lagging. This concern prompted the United States Senate and House of Representatives to commission, with bipartisan support, a 2017 study resulting in five broad recommendations for strengthening language education in U.S. schools.⁷

Between 1997 and 2008, the percentage of U.S. elementary schools offering foreign language courses declined from 31 percent to 25 percent, and U.S. middle schools from 75 percent to 58 percent.⁸ While most high schools offer foreign language courses, they are often optional and not required to receive a high school diploma.

The result is that enrollment in a foreign language class among K–12 students is just approximately 20 percent.⁹ On average, these students begin learning at age 15 and only study for two years—far from enough time for most to gain suitable proficiency. Matters don’t improve in institutions of higher learning, where enrollment in a foreign language class is just 7.5 percent of students.¹⁰



We need to start training kids in elementary school to speak multiple languages. We are the only country that doesn't do this.

— Small Professional Services Employer

Between the second and third generation, most immigrants have lost their [bilingual] fluency and have become monolinguals.

Children of immigrants, who are at a natural advantage to become skilled bilinguals and often presumed to be the solution to the United States' growing foreign language needs, are also shortchanged by a system that does not prioritize languages. Between the second and the third generation, most immigrants have lost their fluency and have become monolinguals.⁹

Nor can Americans rely on the idea that the rest of the world is able to communicate with them in English. Fewer than 25 percent of the world's population speaks the language, and among those who do, it is often with a proficiency insufficient to effectively communicate.¹² Even in the European Union, the United States' largest trading partner, fewer than four in 10 Europeans communicate in English, and of those, one-third report only a basic grasp of the language.¹³

A key to shifting more attention toward language education among policymakers may lie in findings of this survey. Specifically, those that point to the critical role of languages in accessing both domestic and international markets and bolstering economic competitiveness.

To better understand the role and demand for foreign languages among U.S. employers, the American Council on the Teaching of Foreign Languages (ACTFL) commissioned Ipsos Public Affairs to conduct a national survey among 1,200 upper-level managers and human resources professionals with knowledge of their organization's foreign language needs. Conducted in January 2018, the survey asked respondents questions about their organization's needs and capabilities in languages other than English. In answering questions about employees, respondents were asked to consider only those who were U.S.-based.

The findings bolster the argument for the U.S. to prioritize foreign language instruction that starts at an early age, when learning a language is optimized and sequenced over a number of years. In return for an investment that provides students with a strong early foundation in language learning, U.S. employers will benefit from a pipeline of employees with the language skills they require to compete and succeed in the global economy.

The link between language skills and economic competitiveness is just one of the key findings of this survey that is intended to stimulate awareness and action around building foreign language capacity in the United States. The survey reveals a high demand for foreign language skills among U.S. employers across industries—particularly in support of their domestic



market—and that the vast majority of employers don't expect this demand to abate. This demand comes with a foreign language skills gap, meaning that employers have foreign language needs that their employees are unable to meet. And for about half of those who say they have a gap, it also means a loss of business.

With the outlook pointing to a strong and continued demand for foreign language skills, employers need to anticipate and address current and future language needs with a company-wide language strategy (see “Employer Recommendations” in the Executive Summary). Small and midsize firms that may typically have fewer resources than their larger counterparts especially stand to gain from implementing practical and often locally or regionally driven strategies. No matter the size of the employer, however, the ability to meet the needs of clients and customers in the age of globalization will ultimately lie in meeting their language needs.

The following report details findings from this important survey among U.S. employers on foreign language skills demand; reliance on external language skills providers (LSPs); specific language skill needs and uses within the organization; recruitment of employees with foreign language skills; and language training, testing, tracking and proficiency. Results are presented for all respondents and where there are significant differences by subgroup segments (i.e., organization size, industry sector, etc.).

The survey reveals a high demand for foreign language skills among U.S. employers across industries and that the vast majority of employers don't expect this demand to abate.

A photograph of two women sitting at a wooden table, looking at a laptop. The woman on the left is Black with curly hair and glasses, wearing a white sleeveless top. The woman on the right is Asian with long dark hair, wearing a light-colored button-down shirt. They are in a bright, modern office environment with large windows in the background. A purple text box is overlaid on the top right of the image.

SECTION III.

Detailed Findings

Foreign Language Skills Dependency and Demand in U.S. Businesses



We rely on foreign languages so that our non-English-speaking customers have the best experience.

— Small Hospitality and Travel Employer

RELIANCE ON U.S.-BASED EMPLOYEES WITH FOREIGN LANGUAGE SKILLS

Nine out of 10 U.S. employers report a reliance on U.S.-based employees who have skills in languages other than English, with 32 percent relying “a lot” and 58 percent “some” (Figure 1).

Employers of all sizes have a widespread need for multilingual staff, though small employers have the least demand with about a quarter reporting no need whatsoever. Midsize employers show the greatest intensity of demand with almost four in 10 saying they rely “a lot” (Figure 2).

Figure 1: Reliance on U.S.-Based Employees with Foreign Language Skills

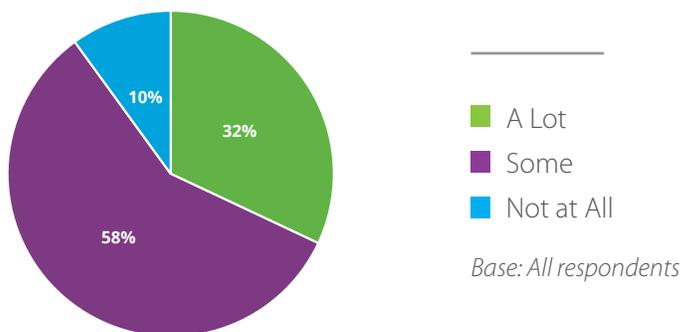
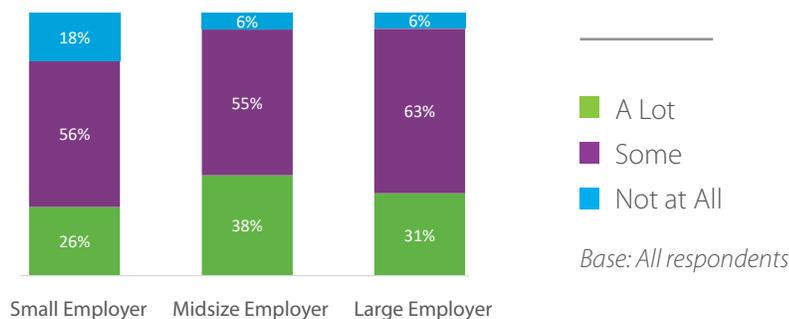


Figure 2: Reliance on U.S.-Based Employees with Foreign Language Skills, by Employer Size



Employers in healthcare and social assistance, trade, and professional and technical services are more likely to rely on employees with foreign language skills.

Significant majorities of both exporting and non-exporting companies have a demand for employees with foreign language skills, though exporters have a greater need with 38 percent saying they rely “a lot” compared to 25 percent of non-exporters (Table 1).

Table 1: Reliance on U.S.-Based Employees with Foreign Language Skills: Exporters vs. Non-Exporters

| | Exporters | Non-Exporters |
|------------------------|-----------|---------------|
| Rely a Lot | 38% | 25% |
| Rely Some | 56% | 61% |
| Rely Not at All | 6% | 15% |

Base: All respondents

Employers in healthcare and social assistance, trade, and professional and technical services are more likely to rely on employees with foreign language skills than those in the manufacturing, construction, education services, and hospitality and travel sectors (Figure 3). However, both the construction sector and healthcare and social assistance sector have the highest intensity of demand. Specifically, 42 percent of construction employers and 41 percent of healthcare and social assistance employers say they rely “a lot” on employees with foreign language skills.

Figure 3: Reliance on U.S.-Based Employees with Foreign Language Skills, by Sector



Base: All respondents

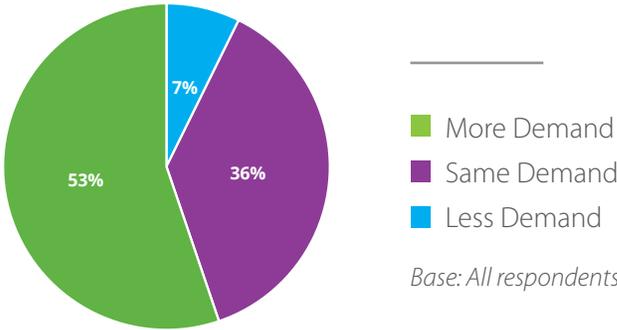
*Survey sample of Trade comprises 85% retail and 15% wholesale



PAST AND FUTURE DEMAND FOR FOREIGN LANGUAGE SKILLS

Compared to five years ago, a majority of employers report more demand for foreign language skills today, while about one-third say it is the same, and fewer than one in 10 says the demand has decreased (Figure 4).

Figure 4: Demand for Foreign Language Skills Over Past 5 Years



We continue to see an increasing need for foreign language skills, particularly in customer service.

— Midsize Utilities Company

Exporters (63 percent) are more likely than non-exporters (44 percent) to report an increase in demand over the last five years. In addition, employers that have unmet foreign language needs (defined in this report as a foreign language skills gap) are more likely (71 percent) to say demand has risen compared to those without a gap (49 percent).

Small employers, which have the least overall reliance on foreign language skills, also report the least increase in demand over the past five years compared to midsize and large employers (Table 2).

Employers that report they are currently unable to meet their foreign language needs are measurably more likely to expect demand to increase in the next five years.

Table 2: Demand for Foreign Language Skills Over the Past 5 Years, by Employer Size

| | Small | Midsize | Large |
|-------------|-------|---------|-------|
| More | 42% | 58% | 59% |
| Same | 46% | 30% | 32% |
| Less | 9% | 9% | 4% |

Base: All respondents

Employers from the healthcare and social assistance sector as well as from the trade sector are significantly more likely than employers in any other sector to say they have a higher demand for foreign language skills than they did five years ago (65 percent and 61 percent, respectively). About half of respondents in education services (54 percent), professional and technical services (50 percent), construction (49 percent), manufacturing (47 percent), hospitality and travel (45 percent), and other (47 percent) sectors say they have had a rise in demand for foreign language skills over the past five years.

Hospitality and travel (43 percent), manufacturing (42 percent), and professional and technical services (40 percent) employers are the most likely to say their foreign language needs have remained the same.

When considering the next five years, demand for foreign language skills is sustained, with a slight upward trend reflected across all company sizes and most sectors. More than half of employers expect demand to increase, one-third expect demand to stay about the same, and just six percent anticipate a decrease (Figure 5). Employers that report they are currently unable to meet their foreign language needs (see “Foreign Language Skills Gap in the Workplace,” page 21) are measurably more likely to expect demand to increase in the next five years (73 percent) compared to those that don’t report a skills gap (48 percent). Similarly, employers that rely “a lot” on foreign language skills are more likely (68 percent) to expect a rise in demand than employers with “some” reliance (56 percent) (Table 3).

Table 3: Future Demand for Foreign Language Skills Among Subgroups of Employers

| | Reliance on Foreign Language Skills | | Foreign Language Skills Gap | | | |
|---|-------------------------------------|-----------|-----------------------------|--------|-----------|---------------|
| | Rely a Lot | Rely Some | Have Gap | No Gap | Exporters | Non-Exporters |
| More Demand in the Next Five Years | 68% | 56% | 73% | 48% | 63% | 49% |

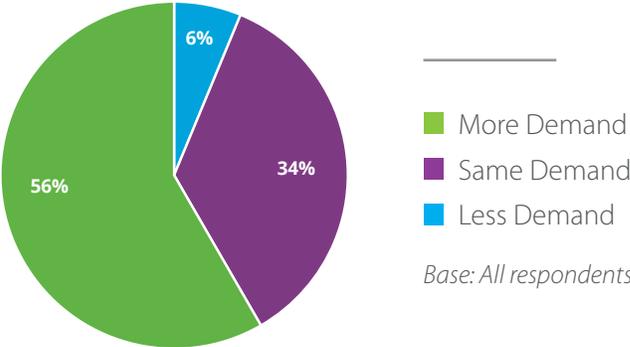
Base: All respondents



In the future we'll need more employees who speak Spanish.

— Small Financial Services Firm

Figure 5: Future Demand for Foreign Language Skills



Base: All respondents

Comfortable majorities of both midsize and large employers continue to project more demand for foreign language skills, while slightly under half of small companies foresee an increase (Table 4).

Table 4: Future Demand for Foreign Language Skills, by Employer Size

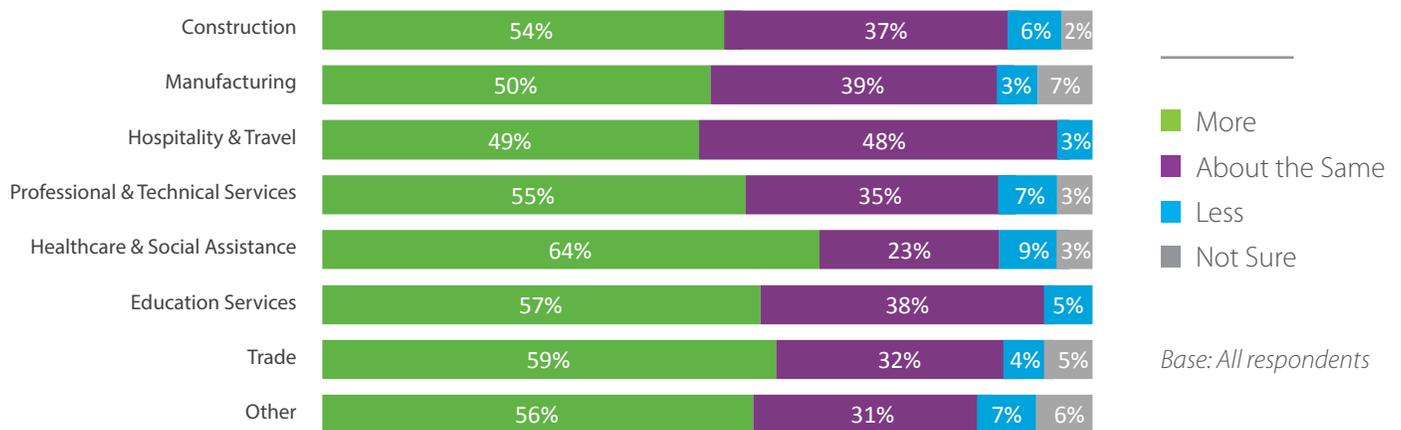
| | Small | Midsize | Large |
|-------------|-------|---------|-------|
| More | 46% | 62% | 60% |
| Same | 45% | 27% | 31% |
| Less | 6% | 7% | 4% |

Base: All respondents



With a five-year outlook, healthcare and social assistance employers expect the greatest increase in demand for foreign language skills (64 percent), with less than a quarter (23 percent) expecting no change in demand. About six in 10 employers in trade, education services, construction, and professional and technical services expect the demand for foreign language skills to increase in the next five years, while half of manufacturing firms and hospitality and travel companies expect the demand to stay the same. Hospitality and travel, manufacturing, education services, and construction employers are the most likely to expect the demand for foreign language skills to remain unchanged. Meanwhile, professional and technical services, trade, and healthcare and social assistance employers are less likely to expect the same (Figure 6).

Figure 6: Future Demand for Foreign Language Skills, by Sector



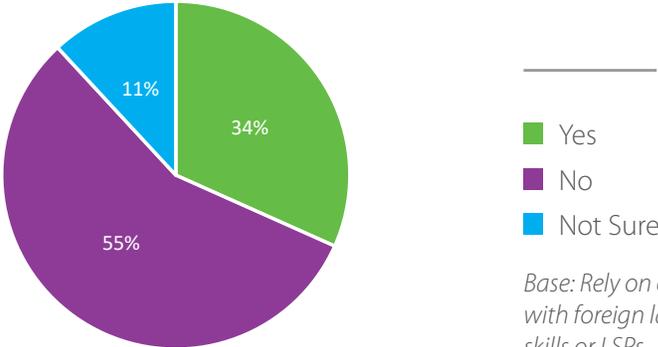
*Survey sample of Trade comprises 85% retail and 15% wholesale

Base: All respondents

FOREIGN LANGUAGE SKILLS GAP IN THE WORKPLACE

Asked if they have foreign language needs that their employees are unable to meet, one-third (34 percent) of employers reliant on foreign languages report having a foreign language skills gap (Figure 7).

Figure 7: U.S. Employers with a Foreign Language Skills Gap

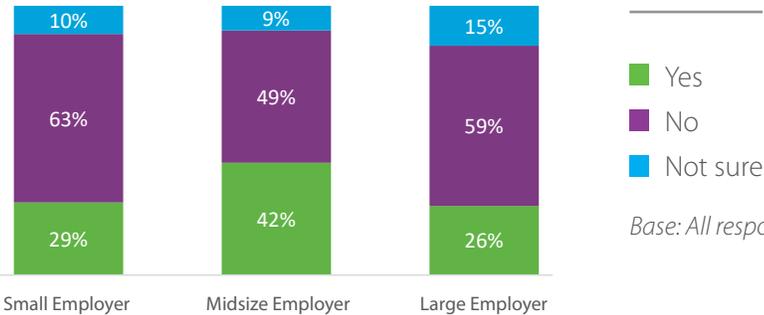


Base: Rely on employees with foreign language skills or LSPs

With a five-year outlook, healthcare and social assistance employers expect the greatest increase in demand for foreign language skills.

Midsize employers, which report the highest intensity of demand, are also significantly more likely to have a foreign language skills gap (42 percent), compared to small (27 percent) or large (26 percent) employers (Figure 8).

Figure 8: Foreign Language Skills Gap, by Employer Size



Base: All respondents

The construction and healthcare and social assistance sectors report the greatest foreign language skills gap.

Employers that depend “a lot” on multilingual staff are much more likely to report a foreign language skills gap (46 percent) compared to those with “some” reliance (27 percent), as are exporters (42 percent) in contrast to non-exporters (26 percent).

The construction sector and healthcare and social assistance sector report the greatest foreign language skills gap, followed by manufacturing, trade, education services, and professional and technical services. Slightly less than one-quarter of employers in the hospitality and travel sector report a foreign language skills gap (Figure 9).

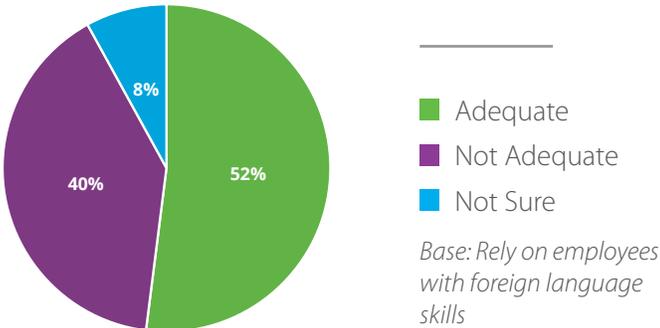
Figure 9: Foreign Language Skills Gap, by Sector



Barely half of employers that rely on multilingual staff say that their company has the adequate number of employees with foreign language skills (52 percent), though small employers are significantly more likely than their midsize or large counterparts to be satisfied with staffing (59 percent vs. 52 percent and 46 percent, respectively) (Figure 10).

Employers that report a foreign language skills gap are demonstrably more likely to say they have an inadequate number of employees with foreign language skills (62 percent) compared to those that don’t have a foreign language skills gap (34 percent).

Figure 10: Adequacy of Foreign Language Capacity Among Employers Reliant on Foreign Language Skills

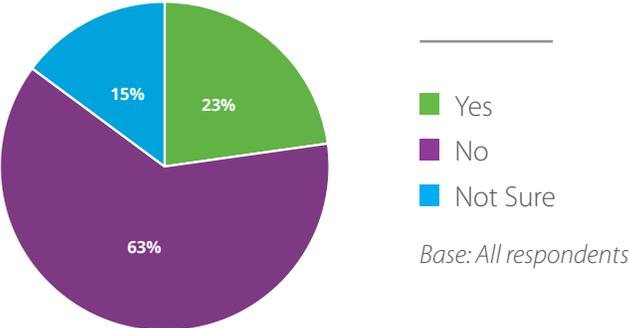


About one-quarter of respondents say their organization could not pursue or has lost business in the past three years due to a lack of foreign language skills.

LOSS OF BUSINESS DUE TO LACK OF FOREIGN LANGUAGE SKILLS

About one-quarter of all respondents say their organization could not pursue or has lost business in the past three years due to a lack of foreign language skills (23 percent). That figure more than doubles (50 percent) for employers that report a foreign language skills gap within their organization (Figure 11).

Figure 11: Loss of Business Among U.S. Employers Due to Lack of Foreign Language Skills



Among those that say they do not have a foreign language skills gap, 10 percent acknowledge having lost business opportunities over the singular lack of foreign language skills.

Employers that depend “a lot” on multilingual staff are more than twice as likely to have lost a business opportunity (37 percent) than those with just “some” reliance (17 percent) (Table 5).



We could have a lot more sales in China if we could communicate in Mandarin. We also need more Japanese and Polish language skills since English isn't widely spoken in Japan and Poland.

— Small Manufacturer

Table 5: Loss of Business Among U.S. Employers Due to Lack of Foreign Language Skills, by Subgroup

| | Reliance on Foreign Language Skills | | Foreign Language Skills Gap | |
|--------------------------------|-------------------------------------|-----------|-----------------------------|--------|
| | Rely a Lot | Rely Some | Have Gap | No Gap |
| Report Loss of Business | 37% | 17% | 50% | 10% |

Midsize employers are the most likely to have lost a business opportunity due to a lack of foreign language skills compared to their smaller and larger counterparts, though a full quarter of respondents from large organizations responded as not sure (Table 6).

Table 6: Loss of Business Among U.S. Employers Due to Lack of Foreign Language Skills, by Employer Size

| | Small | Midsize | Large |
|-----------------|-------|---------|-------|
| Yes | 24% | 32% | 12% |
| No | 67% | 56% | 64% |
| Not sure | 9% | 11% | 25% |

Employers in the construction sector and the professional and technical services sector are most likely to be unable to pursue or have lost business in the past three years due to a lack of foreign language skills (35 percent and 29 percent, respectively). About one-fifth of employers in manufacturing (22 percent), healthcare and social assistance (22 percent), education services (21 percent), trade (18 percent), and hospitality and travel (17 percent) report the same.

Exporters are particularly sensitive to language needs compared to non-exporters by a number of measures: reliance on employees with foreign language skills; presence of a foreign language skills gap; and lost business in the past three years due to a lack of foreign language skills (Table 7).



Table 7: Reliance on Foreign Languages: Exporters vs. Non-Exporters

| | Exporters | Non-Exporters |
|--|-----------|---------------|
| Rely a lot on employees with foreign language skills | 38% | 25% |
| Report foreign language skills gap | 42% | 26% |
| Lost business in past 3 years due to lack of foreign language skills | 32% | 14% |



We outsource some translation to make up for language skills we lack in house.

— Midsize Manufacturer

Reliance on External Language Service Providers

USE OF EXTERNAL LANGUAGE SERVICE PROVIDERS

About two-thirds of employers report that they use external language service providers (LSPs) to fulfill their company’s foreign language needs, with 16 percent saying they rely “a lot” and 45 percent “some.” Just over one-third report no reliance on LSPs (Figure 12). Only one in 11 has no dependency on LSPs or employees with foreign language skills.

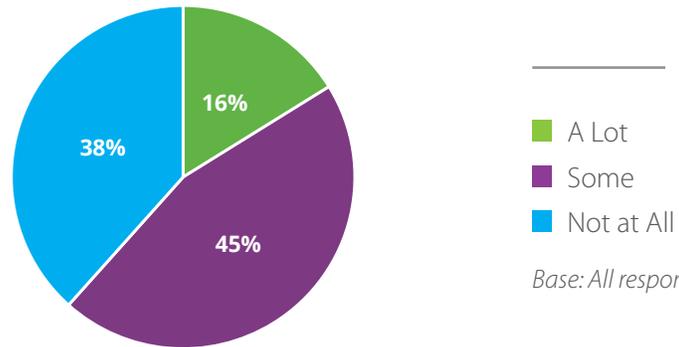
Almost universally, LSPs are used by employers as a complement to their in-house multilingual staff (98 percent), rather than as a stand-alone service (2 percent). Employers that rely “a lot” on employees with foreign language skills have much greater use of language services (38 percent) compared to those that have “some” reliance on multilingual staff (7 percent).



It's vital for the healthcare field to have foreign language interpreters readily available.

— Midsize Healthcare Employer

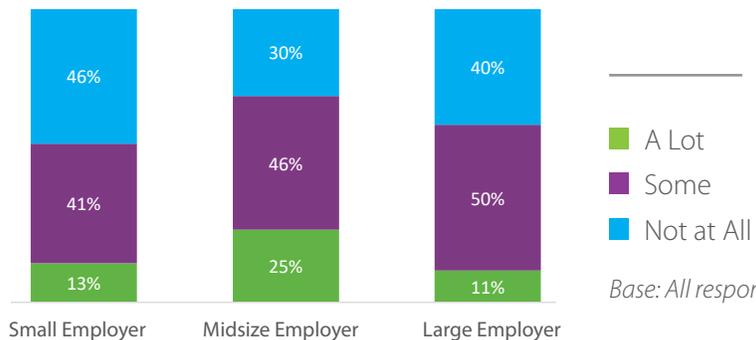
Figure 12: Reliance on Language Service Providers (LSPs)



Base: All respondents

Consistent with their higher level of dependency on employees with foreign language skills, midsize employers are notably more likely to rely on LSPs than their smaller and larger counterparts, with a quarter stating a high dependency (Figure 13).

Figure 13: Reliance on Language Service Providers (LSPs), by Employer Size



Base: All respondents

Exporters are also considerably more reliant on LSPs (73 percent) than non-exporters (50 percent).

The healthcare and social assistance sector is the most likely to contract with LSPs. This is followed by manufacturing, professional and technical services, education services, and construction, with each of these reporting similar levels of usage. Only a slight majority of trade employers and hospitality and travel employers rely on LSPs.

Overall, employers use LSPs primarily to translate HR and employee materials (52 percent), followed by marketing materials (42 percent) and compliance documents (38 percent), while about three in 10 employers contract with LSPs for routine documents (30 percent) and website localization (28 percent).

Among employers whose foreign language needs are restricted to the U.S. market, the greatest use for LSPs is translating HR and employee materials (51 percent). Among employers with at least some foreign language needs in the international market, translating HR and employee materials is also the top area of need for LSPs (53 percent). However, these employers also note measurably greater demand for LSPs in all other functions than their peers with domestic-only needs.



We need an external language service company for certain international contracts.

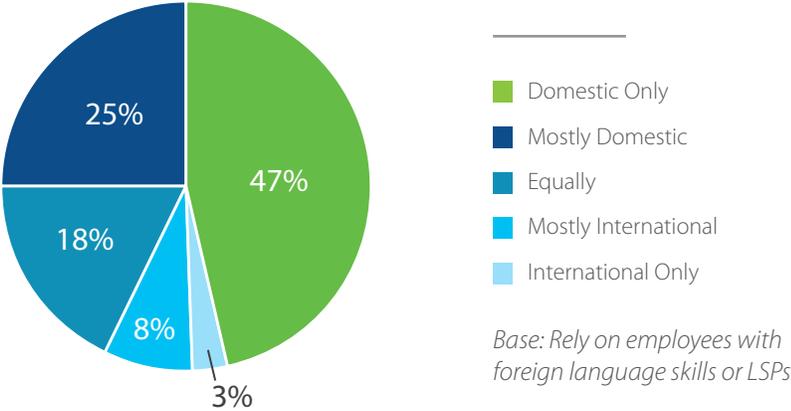
— Small Transportation and Warehousing Company

Language Skills Needs Within the Organization

DOMESTIC VS. INTERNATIONAL FOREIGN LANGUAGE NEEDS

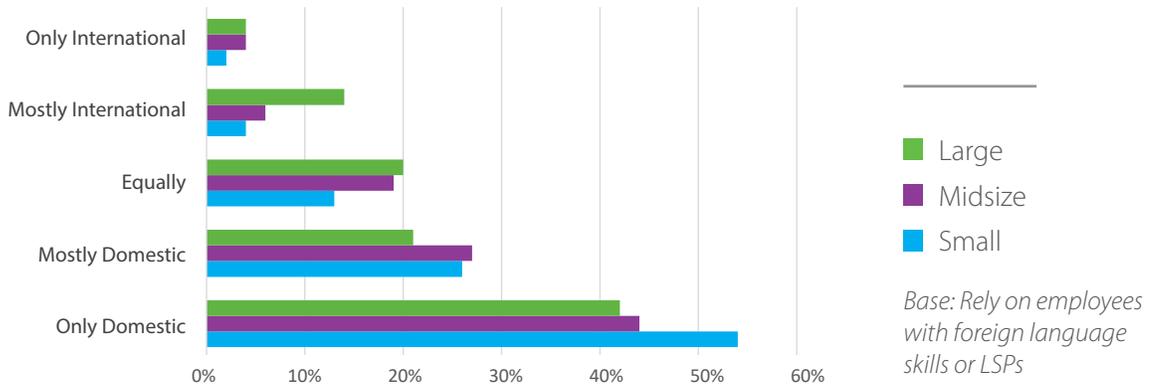
Overall, U.S. employers are significantly more likely to deploy their foreign language capacity domestically (97 percent) than overseas (54 percent), with nearly half having foreign language needs exclusively for the domestic market (47 percent). One-quarter (25 percent) have foreign language requirements “primarily” for the U.S. market with “some” for the international market. About one-fifth (18 percent) have foreign language needs “equally” for domestic and international markets, while 11 percent have foreign language needs “primarily” (8 percent) or “exclusively” (3 percent) for international business (Figure 14).

Figure 14: U.S. Employers’ Domestic and International Foreign Language Needs



The smaller the organization, the more likely it is to use its employees’ foreign language skills exclusively within the domestic market. The larger the organization, the more likely it is to need languages other than English for the international market (Figure 15).

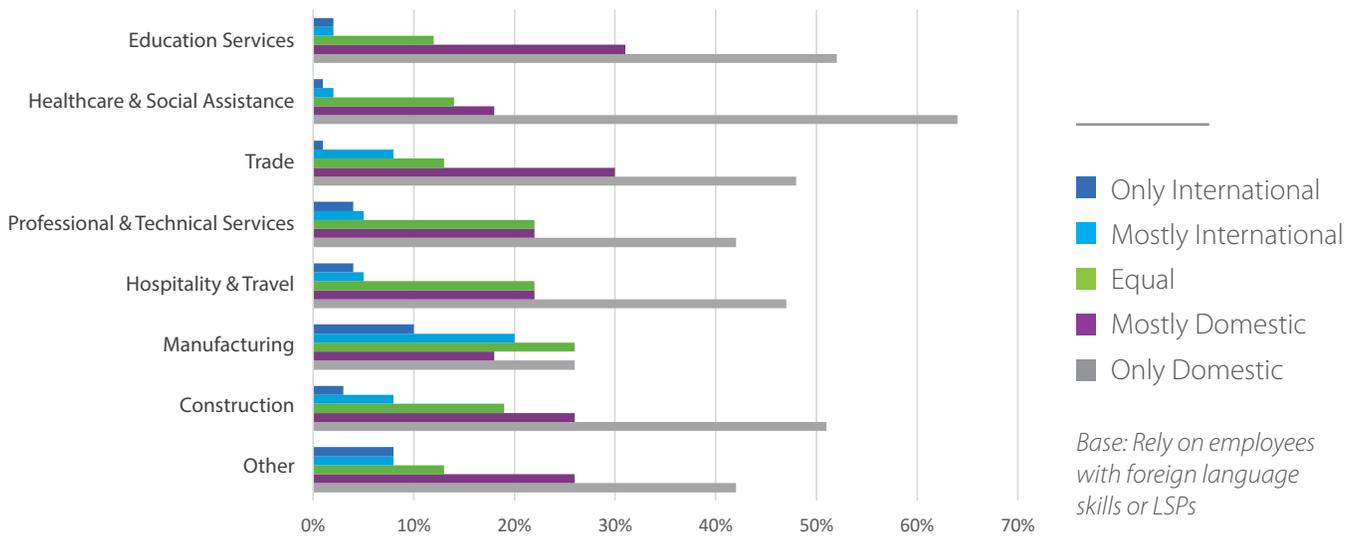
Figure 15: International vs. Domestic Foreign Language Needs, by Employer Size



The healthcare and social assistance sector is more likely than any other industry to have foreign language needs exclusively for the domestic market (64 percent), followed by education services (52 percent), construction (51 percent), trade (48 percent) and hospitality and travel (47 percent).

Conversely, manufacturing (the United States' largest exporting sector) is by far the most likely to need foreign languages to support international business (74 percent), with about one-third of manufacturers using them primarily (20 percent) or exclusively (10 percent) for overseas markets (Figure 16).

Figure 16: International vs. Domestic Foreign Language Needs, by Sector

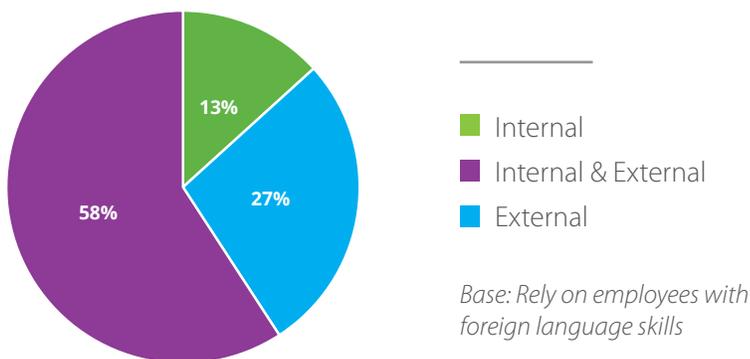


*Survey sample of Trade comprises 85% retail and 15% wholesale

EXTERNAL VS. INTERNAL COMMUNICATIONS

A majority of employers (58 percent) say that their employees use their foreign language skills to communicate both internally with colleagues and externally with stakeholders (i.e., customers, suppliers and partners) (Figure 17), while slightly over one-quarter (27 percent) say their employees use their foreign language skills to communicate exclusively with external stakeholders. Conversely, 13 percent say that they use foreign languages only for internal communications. Among employers that deploy their foreign language capacity exclusively on the domestic front, 19 percent report that employees communicate in a foreign language solely for internal purposes.

Figure 17: External vs. Internal Use of Foreign Languages



Employees within large organizations are significantly more likely to use their foreign language skills to communicate with both internal colleagues and external stakeholders (69 percent) while small and midsize organizations are more apt to use their foreign language skills exclusively for communicating with external stakeholders.

Employees in construction and manufacturing are about twice as likely to use foreign languages exclusively among themselves compared to other sectors. On the other hand, employees in the professional and technical services sector as well as the healthcare and social assistance sector are most likely to use their foreign language skills exclusively for communicating with external stakeholders.

In every sector, more than half of employers say their employees use foreign language skills to communicate both internally and externally (Table 9.)



We've had a large influx of foreign customers who want only the highest quality of workmanship and products in their custom homes, and [that's] why we need artisans that can effectively communicate with them.

— Small Construction Company

Table 9: External vs. Internal Use of Foreign Languages, by Sector

| | Construction | Manufacturing | Hospitality & Travel | Professional & Technical Services | Healthcare & Social Assistance | Education Services | Trade | Other |
|--------------------------|--------------|---------------|----------------------|-----------------------------------|--------------------------------|--------------------|-------|-------|
| Only Internal | 27% | 22% | 9% | 7% | 10% | 12% | 13% | 13% |
| Only External | 14% | 14% | 26% | 33% | 35% | 26% | 24% | 31% |
| Both Internal & External | 57% | 61% | 62% | 59% | 53% | 59% | 61% | 52% |

*Survey sample of Trade comprises 85% retail and 15% wholesale



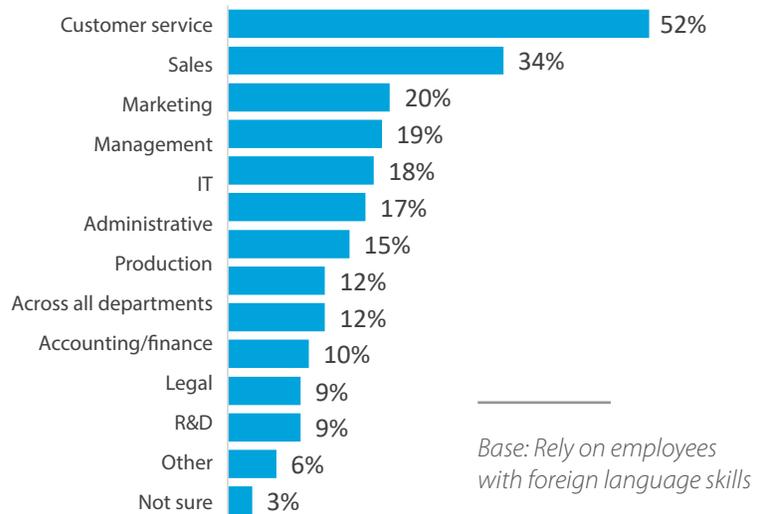
We have more and more subcontractors that we have trouble communicating with.

— Midsize Oil and Gas Company

FOREIGN LANGUAGE NEEDS BY DEPARTMENT

Demand for foreign languages broadly reaches across all major departments, though client-facing functions have the highest need for employees with foreign language skills. Just over half (52 percent) of employers’ customer service departments require foreign language skills while one-third (34 percent) require foreign language skills for their sales departments. For approximately one-fifth of employers, marketing, management, IT and administrative departments require bilingual employees (Figure 18).

Figure 18: Departments that Require Employees with Foreign Language Skills



Twelve percent of employers require employees with foreign language skills across all their departments, with large employers having higher demand (16 percent) company-wide compared to small (11 percent) and midsize employers (9 percent).

Compared to employers that need foreign language skills for domestic use only, employers with at least some foreign language needs internationally report a greater demand for language skills across most departments. The most notable differences exist in marketing (27 percent vs. 11 percent), sales (41 percent vs. 27 percent), purchasing (18 percent vs. 5 percent), IT (24 percent vs. 12 percent) and research and development (15 percent vs. 3 percent). Customer service is the exception, having a slightly higher demand for foreign language skills among employers with domestic-only needs (53 percent) versus those with needs overseas (50 percent) (Table 10).

Table 10: Demand for Foreign Language Skills Across Departments, by U.S. Employers with Domestic-Only vs. International Foreign Language Needs*

| | Domestic-Only | International |
|------------------------|---------------|---------------|
| Customer service | 53% | 50% |
| Sales | 27% | 41% |
| Management | 16% | 22% |
| Administrative | 16% | 19% |
| Production | 12% | 18% |
| IT | 12% | 24% |
| Marketing | 11% | 27% |
| Across all departments | 10% | 14% |
| Other | 8% | 3% |
| Accounting/finance | 7% | 12% |
| Legal | 5% | 12% |
| Purchasing | 5% | 18% |
| R&D | 3% | 15% |

*"International Foreign Language Needs" denotes employers that report at least some need for foreign languages in the international market. This includes employers with a mix of international and domestic needs and those with international needs only.



We need to develop more employees who can communicate with more of our customers and other people outside our organization.

— Small Professional Services Firm



My company relies on foreign language speakers for project management.

— Large Professional Services Employer

The healthcare and social assistance sector and the hospitality and travel sector have the highest demand for foreign languages in customer support (68 and 61 percent, respectively). Meanwhile, the trade sector and manufacturing sector have the highest demand for foreign languages in sales (52 and 41 percent, respectively). The construction sector has the strongest need for foreign language skills in production (38 percent), followed by the manufacturing sector (28 percent).

Additionally, compared to every other sector, construction has the greatest demand for foreign languages in administrative work (28 percent), followed by the education services sector (26 percent). The professional and technical services industry reports by far the greatest demand for foreign languages in IT (27 percent) and is also the industry with the highest demand for foreign languages in research and development (15 percent) (Table 11).

Table 11: Departments That Require Employees With Foreign Language Skills, by Sector

| | Sector | | | | | | |
|------------------------|--------------|---------------|----------------------|-----------------------------------|--------------------------------|--------------------|-------|
| | Construction | Manufacturing | Hospitality & Travel | Professional & Technical Services | Healthcare & Social Assistance | Education Services | Trade |
| Customer service | 40% | 34% | 61% | 54% | 68% | 50% | 55% |
| Production | 38% | 28% | 7% | 13% | 10% | 9% | 16% |
| Sales | 35% | 41% | 33% | 32% | 25% | 16% | 52% |
| Administrative | 28% | 8% | 9% | 16% | 19% | 26% | 19% |
| Marketing | 21% | 18% | 14% | 22% | 13% | 18% | 21% |
| Purchasing | 19% | 14% | 11% | 8% | 5% | 7% | 20% |
| Management | 18% | 22% | 21% | 17% | 17% | 12% | 25% |
| Accounting/finance | 17% | 7% | 7% | 10% | 13% | 4% | 10% |
| IT | 17% | 17% | 10% | 27% | 16% | 16% | 17% |
| Legal | 11% | 5% | 2% | 13% | 9% | 7% | 10% |
| Across all departments | 10% | 15% | 17% | 11% | 13% | 12% | 9% |
| R&D | 9% | 7% | 8% | 15% | 7% | 8% | 6% |



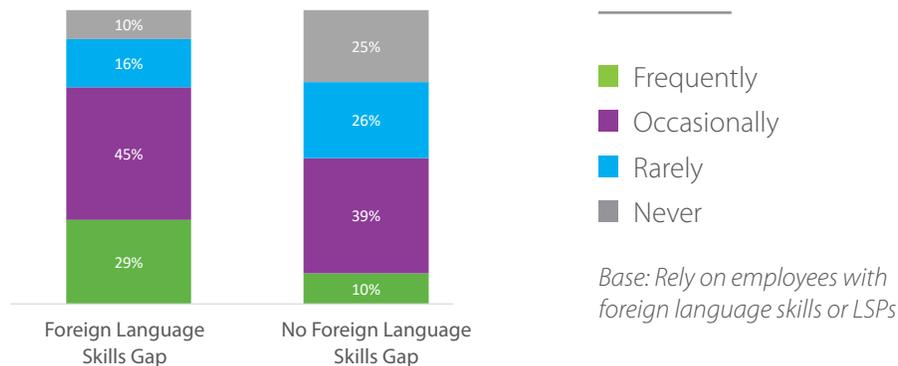
Recruiting Employees with Foreign Language Skills

QUALIFYING FOREIGN LANGUAGE NEEDS IN JOB POSTINGS

To secure applicants for their job postings, a large majority (81 percent) of foreign language-dependent employers acknowledge deliberately downgrading the foreign language requirement from an “essential” or “must have” skill for the job.

Three-fifths of employers say they intentionally downgrade the importance of the foreign language requirement in their recruitment ads frequently or occasionally while about one-quarter rarely do (Figure 19).

Figure 19: Downgrade Importance of Foreign Language Requirement in Recruitment Ads: Foreign Language Skills Gap vs. No Gap



Foreign languages are especially needed in our HR department.

— Large Retailer



*To meet our needs,
my company needs
to advertise for
foreign language
skills more often.*

— Small Professional
Services Employer

Employers with a foreign language skills gap are three times more likely to frequently downgrade the importance of the foreign language requirement (29 percent) than those that do not (10 percent).

Similarly, employers that rely “a lot” on a multilingual workforce are more than twice as likely (26 percent) to frequently downgrade the foreign language requirement than employers with “some” dependency (11 percent).

Midsize employers, which report a greater foreign language skills gap than small and large firms, also demonstrate a greater likelihood to frequently or occasionally downgrade the importance of the foreign language requirement than their smaller or larger counterparts. They are also the least likely to rarely or never downgrade the language requirement than small or large employers (Table 12).

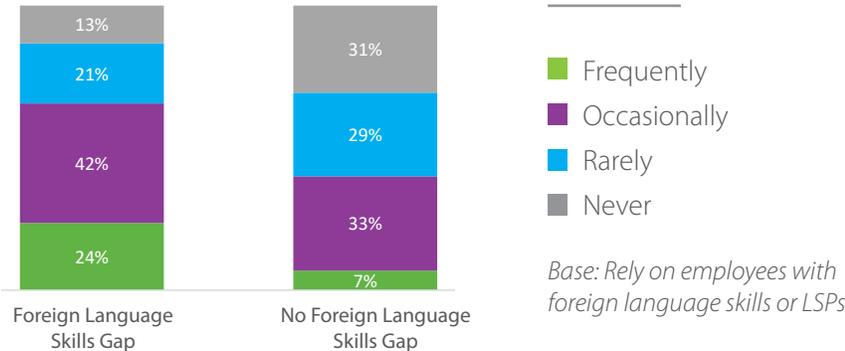
Table 12: Downgrade Importance of Foreign Language Requirement, by Employer Size

| | Small | Midsize | Large |
|---------------------|-------|---------|-------|
| Frequently | 13% | 25% | 11% |
| Occasionally | 43% | 43% | 40% |
| Rarely | 25% | 19% | 26% |
| Never | 19% | 13% | 24% |

Employers are slightly less apt to downgrade proficiency requirements (76 percent) than the language requirement itself. About half of employers say they frequently or occasionally downgrade the level of proficiency desired in recruitment ads while just over one-quarter rarely downgrade the level of proficiency desired (Figure 20).



Figure 20: Downgrade Desired Level of Foreign Language Proficiency in Recruitment Ads: Foreign Language Skills Gap vs. No Gap



Employers with a foreign language skills gap are more likely to frequently (24 percent) or occasionally (42 percent) downgrade the level of language proficiency desired in their recruitment postings compared to employers that do not (7 percent and 33 percent, respectively).

Conversely, employers that do not have a foreign language skills gap are more likely to rarely (29 percent) or never (31 percent) downgrade the level of proficiency desired compared to those with a gap (21 percent and 13 percent, respectively).

In addition to being most likely to downgrade foreign language requirements, midsize employers are also the most likely to downgrade the proficiency levels desired in their job postings. Fifty-nine percent of midsize firms frequently or occasionally downgrade proficiency requirements compared to 47 percent and 39 percent of their smaller and larger counterparts. They are also much less likely (41 percent) than smaller firms (53 percent) and larger firms (61 percent) to rarely or never downgrade (Table 13).

The pool of bilingual candidates is increasingly very attractive to companies needing language skills and [that’s why] we’re finding the supply increasingly stressed.

— Large Retailer



Table 13: Downgrade Desired Foreign Language Proficiency, by Employer Size

| | Small | Midsize | Large |
|---------------------|-------|---------|-------|
| Frequently | 12% | 17% | 8% |
| Occasionally | 35% | 42% | 31% |
| Rarely | 27% | 23% | 30% |
| Never | 26% | 18% | 31% |

Among employers that depend a great deal on a multilingual workforce, 63 percent frequently or occasionally downgrade the desired language proficiency compared to those that have “some” reliance on employees with foreign language skills (43 percent). This occurs in almost identical proportion to employers with a foreign language skills gap (66 percent) and those without (40 percent).

MOST IN-DEMAND LANGUAGES

Spanish is by far the most sought-after foreign language among U.S. employers (85 percent), followed by Chinese (34 percent). Other top-ranking languages are French (22 percent), German (17 percent), Japanese (17 percent), Russian (12 percent), Arabic (11 percent), Italian (10 percent), Korean (9 percent), Hindi (8 percent), and Portuguese (8 percent) (Table 14).

Table 14: Most In-Demand Foreign Languages Reported by U.S. Employers

| Language | Total |
|------------|-------|
| Spanish | 85% |
| Chinese | 34% |
| French | 22% |
| Japanese | 17% |
| German | 17% |
| Russian | 12% |
| Arabic | 11% |
| Italian | 10% |
| Korean | 9% |
| Hindi | 8% |
| Portuguese | 8% |
| Other* | 5% |

**The "other" category comprises a diverse array of additional languages required by U.S. employers, including: Afrikaans, Bosnian, Burmese, Cambodian, Cantonese, Haitian Creole, Hebrew, Khmer, Laotian, Navajo, Polish, Sioux, Slovak, Somali, Tagalog and Vietnamese.*

Spanish is the most needed foreign language among U.S. employers, regardless of whether they have foreign language needs internationally, domestically or both. However, nearly all other languages measured see higher demand among employers with at least some foreign language needs overseas compared to firms with domestic-only needs.

The biggest disparity is with Japanese, which sees triple the demand (25 percent) among employers with international needs versus those with only domestic needs (8 percent). Demand is more than double for Chinese (46 percent vs. 20 percent), French (29 percent vs. 14 percent) and German (24 percent vs. 10 percent). Further, it is twice as high for Italian (14 percent vs. 7 percent), Portuguese (10 percent vs. 5 percent) and Korean (12 percent vs. 6 percent). Demand is only slightly less than double for Russian (15 percent vs. 8 percent) and for Hindi (9 percent vs. 5 percent) (Table 15).



We find our options for outsourcing the hiring of foreign language employees limited and our company struggles to find reputable staffing agencies to fill those positions.

— Midsize Management Company



Far Eastern languages are the biggest need in our company.

— Small Education Services Company

Table 15: Most In-Demand Foreign Languages for U.S. Employers, by Domestic-Only vs. International Foreign Language Needs*

| | Domestic-Only | International |
|------------|---------------|---------------|
| Spanish | 86% | 84% |
| Chinese | 20% | 46% |
| French | 14% | 29% |
| German | 10% | 24% |
| Arabic | 9% | 12% |
| Russian | 8% | 15% |
| Japanese | 8% | 25% |
| Italian | 7% | 14% |
| Korean | 6% | 12% |
| Portuguese | 5% | 10% |
| Hindi | 5% | 9% |
| Other | 6% | 4% |

*“International Foreign Language Needs” denotes employers that report at least some need for foreign languages in the international market. This includes employers with a mix of international and domestic needs and those with international needs only.

SHORTAGE OF LANGUAGE-SPECIFIC SKILLS

Spanish and Chinese, the two most in-demand foreign languages among U.S. employers, are also most likely to see a skills shortage. Four in 10 employers with a foreign language skills gap report requiring more Spanish language skills while one-third say they need more Chinese language skills. French, the third-most sought language among U.S. employers, is cited by 17 percent of respondents as being in short supply. Similar percentages of employers report shortages in Japanese, Korean, Russian and Arabic (Table 16).

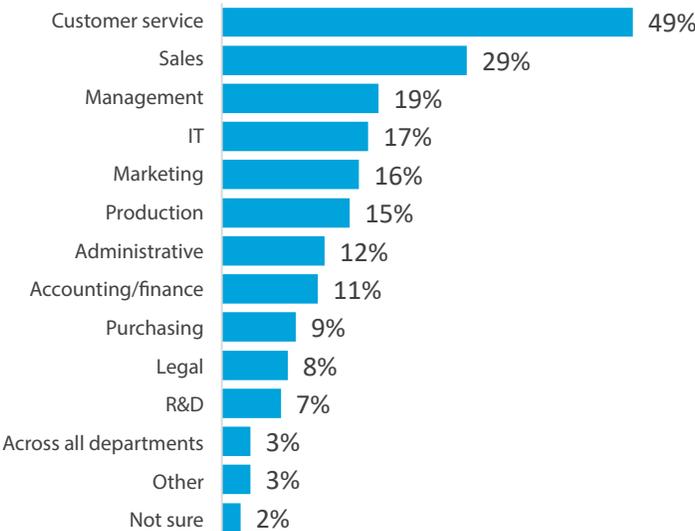
Table 16: Percentage of Employers with a Shortage of Specific Language Skills

| Language | Total |
|------------|-------|
| Spanish | 42% |
| Chinese | 33% |
| French | 17% |
| Japanese | 18% |
| German | 13% |
| Russian | 15% |
| Arabic | 15% |
| Italian | 9% |
| Korean | 17% |
| Hindi | 13% |
| Portuguese | 11% |
| Other | 4% |



Customer service and sales, the top two departments requiring multilingual staff, are also most likely to have a skills shortage (49 percent and 29 percent, respectively). These are followed by management (19 percent), IT (17 percent), marketing (16 percent), production (15 percent), administrative (12 percent), accounting and finance (11 percent), purchasing (9 percent), legal (8 percent), and research and development (7 percent) (Figure 21).

Figure 21: Foreign Language Skills Shortages, by Department



Base: Have foreign language skills gap



We need more people who speak Spanish to respond to the growing Spanish-speaking population, but they're hard to find.

— Midsize Travel and Hospitality Employer



We need a better way to determine and test the level of proficiency required of our employees.

— Large Transportation Employer

DIFFICULT-TO-RECRUIT LANGUAGES

Spanish and Chinese, the languages with the highest demand as well as greatest shortages among U.S. employers, also rank as the most difficult to recruit. Nearly one-third of employers with foreign language needs say they have difficulty finding prospective employees proficient in Spanish (28 percent) or Chinese (28 percent).

Arabic- and Japanese-speaking candidates are difficult to find for 20 percent and 18 percent of employers, respectively. A significant percentage also report difficulty finding speakers of Russian (14 percent), Hindi (14 percent), French (13 percent), Korean (13 percent) and German (12 percent).

U.S. employers that need foreign languages solely for the domestic market are much more likely (36 percent) to report difficulty finding Spanish-speaking candidates compared to employers with at least some foreign language needs overseas (20 percent). They are also more likely to have difficulty recruiting for languages in the “other” category (11 percent vs. 4 percent).

But compared to those with domestic-only needs, employers with at least some international needs are more likely to have difficulty recruiting for every other language measured: Chinese (33 percent vs. 22 percent), Arabic (23 percent vs. 16 percent), Japanese (21 percent vs. 14 percent), Russian (17 percent vs. 10 percent), Portuguese (12 percent vs. 7 percent), French (15 percent vs. 12 percent), Korean (15 percent vs. 12 percent), German (14 percent vs. 11 percent), Hindi (15 percent vs. 12 percent), and Italian (8 percent vs. 6 percent).

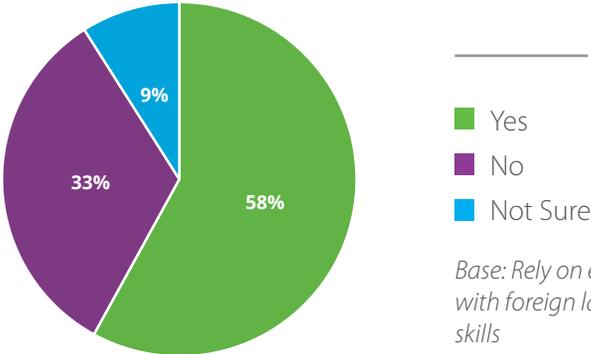


Language Tracking, Testing, Training and Proficiency

TRACKING EMPLOYEE FOREIGN LANGUAGE SKILLS

Three-fifths of employers that depend on multilingual staff track the languages spoken by their employees (Figure 22), with midsize and large employers doing so roughly in equal measure (62 percent and 60 percent, respectively) compared to a slight majority of small companies (51 percent).

Figure 22: Employers Tracking Employee Foreign Language Skills



We should offer foreign language classes to our employees.

— Midsize Transportation Employer

Employers that have a foreign language skills gap, those with a high dependency on multilingual staff, and those that project an increase in demand for foreign language skills are all measurably more likely to track the languages spoken by their employees.



Far Eastern languages are the biggest need in our company.

— Small Education Services Company

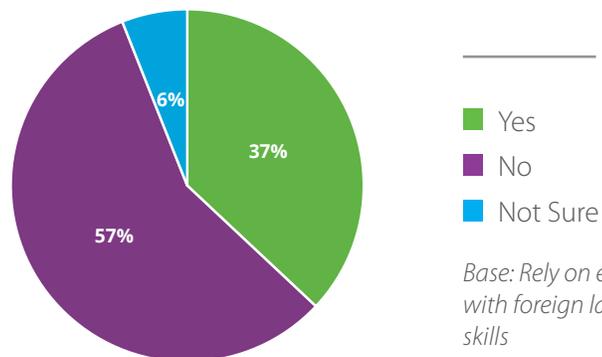
Exporters are also more likely to track languages spoken in their organization compared to non-exporters (Table 17).

Employers in healthcare and social assistance (67 percent) and construction (64 percent) stand out for being most likely to track the languages spoken by their employees, while approximately half of those in professional and technical services (58 percent), trade (56 percent), education services (56 percent), manufacturing (56 percent), and hospitality and travel (48 percent) do the same.

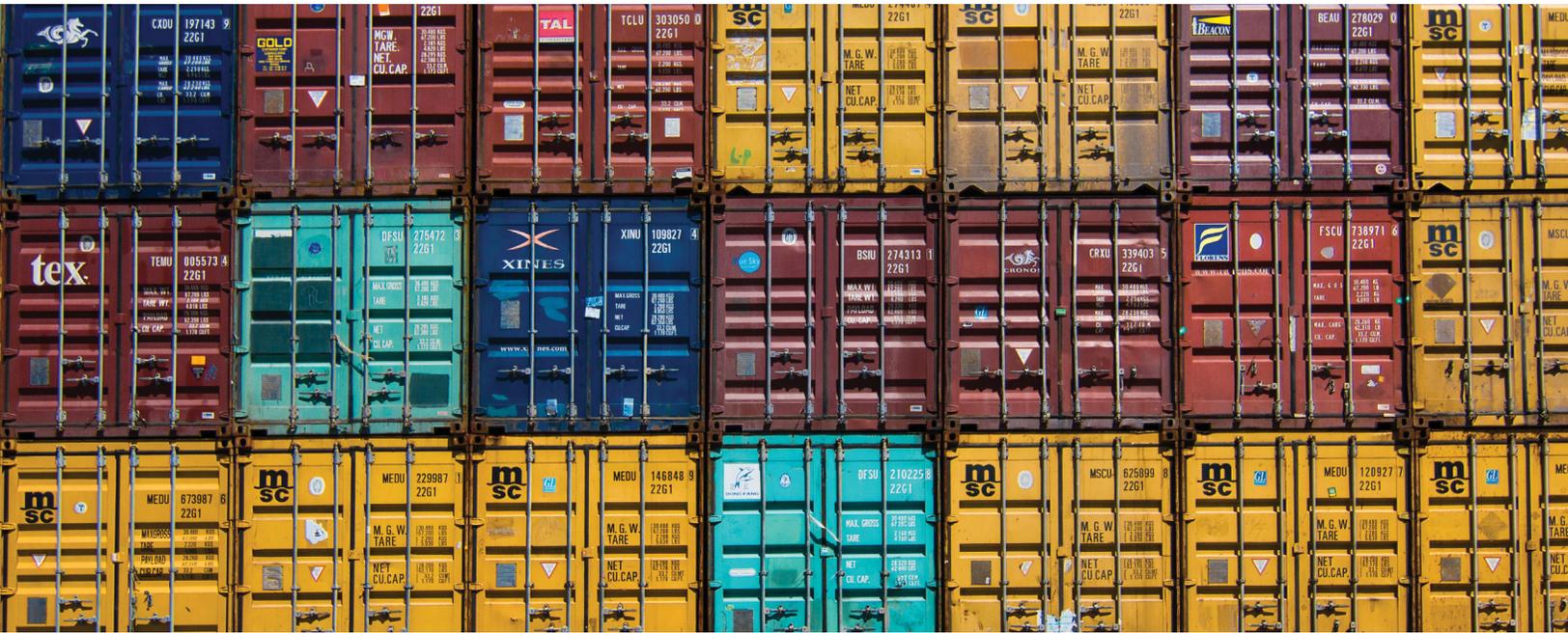
TESTING FOREIGN LANGUAGE SKILLS

Only about one-third of employers with foreign language needs conduct testing to assess the foreign language skills of applicants or employees (Figure 23).

Figure 23: Employers that Test for Foreign Language Skills



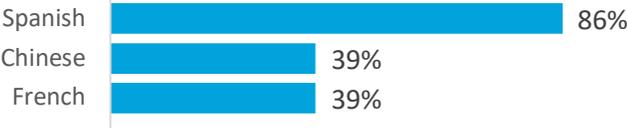
Employers with a foreign language skills gap are measurably more likely to test for language skills than those without, as are employers that have a high dependency on bilingual employees. Exporters also show a greater propensity for testing and are nearly twice as likely to measure the language skills of their employees than non-exporters (Table 17).



Employers in construction (48 percent), healthcare and social assistance (42 percent), and professional and technical services (42 percent) are more likely than employers in education services (38 percent), hospitality and travel (34 percent), trade (31 percent), and manufacturing (27 percent) to test applicant and employee foreign language skills.

Among employers that test for foreign language skills, Spanish, Chinese and French are the three most tested languages (Figure 24).

Figure 24: Top Three Foreign Languages Tested by Employers



Base: Conduct language testing



We provide 100 percent language training for any employee who is required by the company to take an assignment outside of the country.

— Large Financial Services Firm



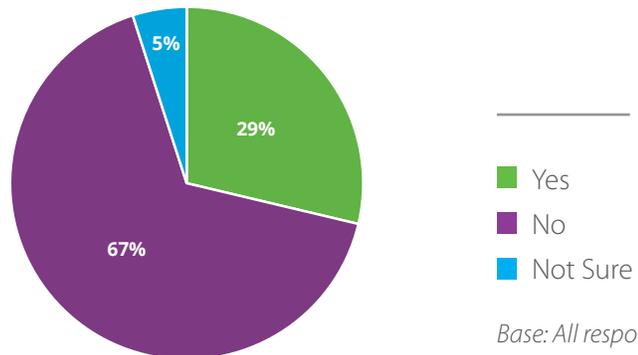
Finding talent with foreign language skills has been extremely challenging, and as a result, we've lost multiple deals.

— Midsize Professional Services Employer

LANGUAGE TRAINING

Barely one in three employers offers foreign language training to its employees, though the investment in training increases notably among certain subgroups (Figure 25).

Figure 25: Employers that Offer Foreign Language Training



Base: All respondents

Employers that report a foreign language skills gap are twice as likely to offer language training to employees than those that do not; and in a similar proportion, employers that have a high dependency on multilingual staff offer more language training compared to employers with just some dependency. Also, companies that export are two and half times more likely to offer language training than non-exporters (Table 17).

About one-third of employers in construction (35 percent), manufacturing (33 percent), education services (33 percent), professional and technical services (30 percent), and healthcare and social assistance (29 percent) offer their employees language training compared to just one-fifth of trade (21 percent) and about a quarter of hospitality and travel (24 percent) employers.

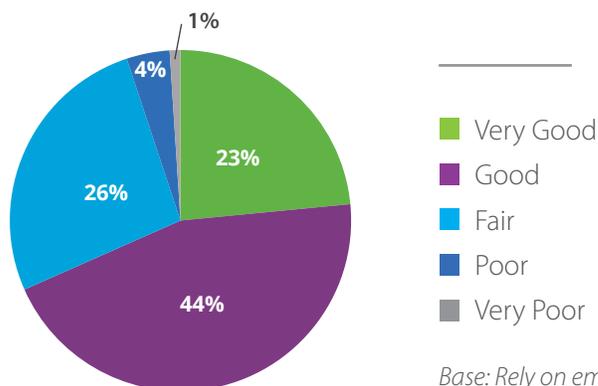
Table 17: Employers that Track, Test and Train Foreign Language Skills, by Subgroup

| | Reliance on Foreign Language Skills | | Foreign Language Skills Gap | | | |
|------------------------------|-------------------------------------|-----------|-----------------------------|--------|-----------|---------------|
| | Rely a Lot | Rely Some | Have Gap | No Gap | Exporters | Non-Exporters |
| Track Language Skills | 72% | 50% | 71% | 53% | 68% | 47% |
| Test Language Skills | 53% | 28% | 49% | 33% | 47% | 25% |
| Train Language Skills | 46% | 23% | 45% | 22% | 41% | 16% |

PROFICIENCY

Respondents have an overall good opinion of their employees' foreign language skills, with 23 percent rating these skills as "very good" and 44 percent as "good," though a quarter rate their employees' foreign language skills as just "fair" (Figure 26).

Figure 26: Rating of Employee Foreign Language Proficiency



Base: Rely on employees with foreign language skills



Language skills are essential for our company to find customers outside the United States.

— Midsize Manufacturer

Notable differences in how employers rate employee foreign language skills surface when comparing organizations that offer foreign language testing and training compared to those that do not.

Overall, employers that conduct language testing among candidates and employees are about a third more likely to rate their employees as having “good” or “very good” foreign language skills (82 percent) compared to those that don’t (61 percent). Comparatively, organizations that don’t test for foreign language skills are more than twice as likely to rate their employees with just “fair” or “poor/very poor” foreign language skills (39 percent) compared to employers that provide testing (17 percent).

Similarly, employers that provide foreign language training tend to have higher percentages of employees with a “very good” or “good” foreign language skill rating compared to those that forgo training (79 percent vs. 65 percent). Over a third (35 percent) of those that don’t provide training rate their employees with “fair” or “poor/very poor” foreign language skills compared to 21 percent of employers that do invest in training.

Employers with a foreign language skills gap are significantly less likely to report their employees’ skills as “good” or “very good” compared to those that say they have no unmet language needs. They are also more likely to rate their foreign language skills as just “fair” or “poor” compared to those without a gap (Table 18).

Table 18: Employee Foreign Language Proficiency: Defined by Foreign Language Skills Gap

| | Foreign Language Skills Gap | No Gap |
|-----------------------|-----------------------------|--------|
| Very Good | 19% | 28% |
| Good | 43% | 46% |
| Fair | 31% | 23% |
| Poor/Very Poor | 7% | 3% |



About a third (32 percent) of employers that rely “a lot” on a multilingual workforce rate their employees with “very good” foreign language skills compared to 18 percent of employers that have “some” reliance. Employers with the greatest dependency on foreign language skills also report fewer employees with “fair” and “poor” skills (22 percent) compared to employers with lesser demand (36 percent).

Healthcare and social assistance (74 percent), professional and technical services (74 percent), and construction (72 percent) employers rate the foreign language skills of their employees as either “very good” or “good” more often than those in hospitality and travel (67 percent), education services (66 percent), manufacturing (65 percent) and trade (62 percent).

The trade (33 percent), hospitality and travel (31 percent) and education services (28 percent) industries are slightly more likely to rate their employees’ foreign language skills as “fair” compared to other sectors: manufacturing (26 percent), healthcare and social assistance (22 percent), professional and technical services (20 percent) and construction (18 percent).



Language skills contribute to our growth. We’ve found that investments in our language capabilities correlate directly to our business, and it’s why we nurture employees with language skills.

— Small Employer



SECTION IV.

Appendices

Appendix A: Background and Methodology

To better understand the role and demand for foreign languages among U.S. employers, the American Council on the Teaching of Foreign Languages (ACTFL) commissioned Ipsos Public Affairs in 2018 to conduct a national survey among 1,200 upper-level managers and human resources professionals with knowledge of their organization's foreign language needs. Respondents were asked to answer questions about their organization's language needs and capabilities other than English, and in answering questions about employees, to consider only those who were U.S.-based.

Public administration and government employers were excluded from this survey as were employers with fewer than 10 employees. The sample was stratified for equal distribution of organization size (10–99, 100–999, and 1,000 or more) and to be nationally representative of industry sector. In this report, “small employers” refers to those with 10–99 employees, “midsize employers” to those with 100–999 employees, and “large employers” to those with 1,000 or more employees.

The sample for this study was randomly drawn from a purchased panel of business professionals. Ipsos uses fixed sample targets, unique to each study, in drawing sample. The sample design was a disproportionate stratified sample of businesses with 10 or more employees. The sample was designed to over-represent medium (100–999 employees) and large (1,000 or more employees) employers, with a minimum of 400 responses from each group. The target set for these variables is shown in Table A.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures for the same reason.

Employer quotes excerpted in the report were drawn from an open-ended question fielded at the end of the survey, inviting respondents to share any insights on their organization's need for foreign language skills.

The American Council on the Teaching of Foreign Languages (ACTFL) commissioned Ipsos Public Affairs to conduct a national survey.

Table A: Sample Targets for Size and Industry Sector

| | | Total |
|-----------------|-----------------------------------|--------------|
| Size | Small (10–99 employees) | 400 |
| | Medium (100–999 employees) | 400 |
| | Large (1,000 or more employees) | 400 |
| Industry | Construction | 77 |
| | Manufacturing | 113 |
| | Trade (Retail 85%; Wholesale 15%) | 203 |
| | Professional & Technical Services | 192 |
| | Healthcare & Social Assistance | 130 |
| | Hospitality & Travel | 90 |
| | Education Services | 131 |
| | Other sectors | 201 |

Statistical margins of error are not applicable to online polls. All sample surveys may be subject to other sources of error, including, but not limited to coverage error and measurement error. Where figures do not sum to 100, this is due to the effects of rounding. The precision of Ipsos online polls is measured using a credibility interval. To correct for modification to sector quotas during field sample, the survey was weighted using a statistical technique called rim weighting to adjust the sample so that it is representative of the current distribution of employers in the U.S.

Appendix B: Employer Attributes

A breakdown of company details and attributes in total and by company size.

| | | Total | Small Employers | Midsize Employers | Large Employers |
|---|---|-------|-----------------|-------------------|-----------------|
| Industry | Construction | 6% | 9% | 8% | 2% |
| | Manufacturing | 9% | 9% | 8% | 12% |
| | Trade (Retail 85%; Wholesale 15%) | 20% | 16% | 10% | 34% |
| | Professional & Technical Services | 19% | 24% | 20% | 14% |
| | Healthcare & Social Assistance | 11% | 8% | 15% | 10% |
| | Hospitality & Travel | 8% | 10% | 6% | 7% |
| | Education Services | 11% | 8% | 15% | 10% |
| | Other sectors (sectors with a sample size of less than 4% grouped here) | 16% | 15% | 21% | 13% |
| 2016 Revenue | \$100,000 to just under \$250,000 | 4% | 6% | 3% | 2% |
| | \$250,000 to just under \$500,000 | 4% | 5% | 5% | 1% |
| | \$500,000 to just under \$1M | 8% | 12% | 11% | 2% |
| | More than \$1M to just under \$2.5M | 12% | 19% | 11% | 4% |
| | More than \$2.5M to just under \$5M | 14% | 18% | 17% | 8% |
| | More than \$5M to just under \$7.5M | 14% | 20% | 15% | 7% |
| | \$7.5M or more | 9% | 9% | 10% | 9% |
| Number of Years in Business | Less than 1 year | 1% | 1% | 2% | 1% |
| | 1 to 5 years | 13% | 18% | 18% | 3% |
| | 6 to 10 years | 17% | 22% | 22% | 6% |
| | More than 10 years | 70% | 60% | 59% | 91% |
| Sell Merchandise or Services Outside U.S. | Yes | 50% | 38% | 50% | 63% |
| | No | 47% | 59% | 47% | 35% |
| | Not sure | 3% | 3% | 3% | 3% |
| Region(s) of the World Where Company Does Business | North America | 92% | 92% | 89% | 95% |
| | Africa | 11% | 8% | 7% | 18% |
| | Asia/Asia Pacific | 30% | 20% | 26% | 45% |
| | Europe | 34% | 26% | 28% | 49% |
| | Latin America | 26% | 17% | 22% | 39% |
| | Middle East | 13% | 8% | 9% | 23% |

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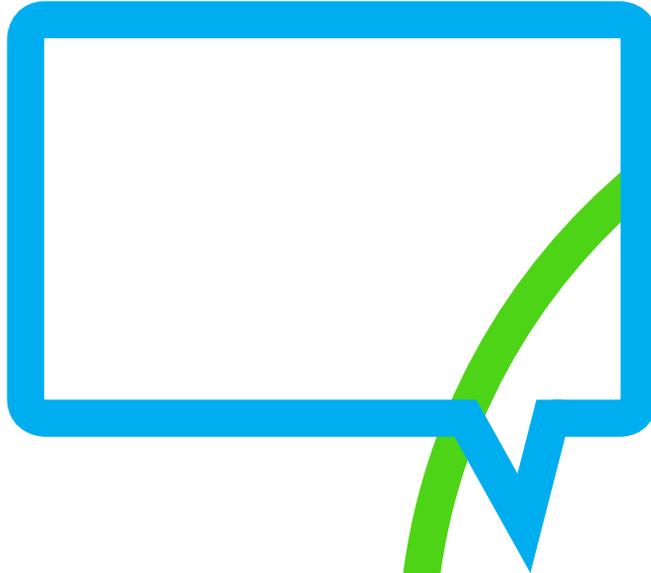
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