

Research on Working Language Management of Overseas Chinese Company

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Abstract. This paper demonstrates the language use in the projects of overseas Chinese companies, which shows complexity and diversity in the language situation. With in-depth individual interview in W project in Kazakhstan Branch Company of a large domestic oil and gas company, it's found that it is more important to design an appropriate working language plan and to overcome the communication barriers leading from working language and communication. Therefore, we suggest that oversea Chinese company should focus on cross-culture management and implement human resources localization strategy. Meanwhile, dynamic language training mechanism and better communication with government department of host country are conducive to promote internal communication. Our study also proposes that overseas Chinese holding enterprise should carry out Chinese-training progressively to expand the influence of Chinese culture in the globalization context.

Introduction

With increased globalization, overseas enterprises will face a great challenge on improving efficiency of communication through its official working language and have played greater attention to the working language in different culture and traditions, in which language has consistently been recognized as a critical factor (Fixman 1990; Petersen and Pedersen 1997) and is contributing to strategic management of multinational corporations (Marschan et al. 1997). In China, it is encouraged to actively implement "going global" strategy to expand overseas markets and participate in international competition. The integration of official working language and informal communication in various cultural environment, as well as overcoming language barriers, is directly related to the efficiency of organization communication.

In the following sections, taking W project in Kazakhstan Branch Company of a large domestic oil and gas company for Example, we have further discussion on this issue and put forward some new ideas and suggestions on the working language management which define the development of a corporate language policy in a globalized market.

Literature Review

Language, as informal communication channels or formal means, plays an important role in cross-cultural environment (Ghoshal and Bartlett 1995). Knowing little about common language or the language of the host country will make the communication comprehension more complicated and misunderstand, which is one of the biggest obstacles for Chinese enterprises' internationalization (Qian, 2006). The existing literature rarely discusses the effect of language on international operations (Ghoshal et al., 1994) even though the importance of language has been already acknowledged (Jnhanson and Vahlne 1977). Based on language diversity and language penetration, working language is widely used to improve communication efficiency and reduce cost on language transformation among multinational companies, societies or other organizations. Language diversity is related to the number of language used mainly for the different purposes of communication within

the company across different countries and regions (Spolsky, 2009), which is obviously depended on the level of the company's global network of customers, subsidiaries and suppliers. As a dominant language in international business exchanges, English becoming more important and widely in the overseas enterprises has been commonly accepted as a fact. Spread of English is promoted by the worldwide extension of English-spoken environment. In addition, language penetration depends on the functional areas within the company that have to operate across linguistic boundaries (Wang and Zhu 2013), including Supply, Production, Logistics, R&D, Sales, Purchasing, Human Resources, Finance and MIS, as well as corporate level functions of Legal and Public Relations (Feely and Harzing 2003). Managers in oversea Chinese companies should mitigate language barriers by staffing, training and development (Gibson and Hodgetts 1991).

Management and Communication Status of W Project

Mixed-Using of Working Language

Internal language mixed-using, or cross application, refers to the condition of using two or more languages at the same time and in the same area when members communicate with each other (Wang and Zhu 2013). W project in Kazakhstan Branch Company of a bigger Chinese oil and gas company, is an integration of upstream, midstream and downstream project supervised by a American company before acquisition, while employing many foreign businessmen with skilled English ability from Pakistan, Hungary, USA, China and especially the host country after acquisition. In order to promote national foreign economic development, Kazakhstan's President has clearly put forward for their national people to learn three languages - Kazakh, Russian and English, which are all used in the process of W project management and communication in international encounters and is more difficult for Chinese people to learn English than those whose native language is Russian or Kazakh. Inside this project, the mixed-using of working language is varied according to the language context, for example, written document like fax, reports, letters and contracts generally use Russian or English or both, yet the Russian version has priority when there are contract disputes.

Communication Barriers

It is more important for W project to take more positive language and communication strategy because there are great differences in language use, behavior way, cultural values and life style among employees from all over the world. Whether the relationship between overseas Chinese staff and local staff is good or not can decide the degree and speed of acculturation, which is easy to lead to communication barriers. Hence, the best solution is to choose employees with higher language skills and better interpersonal relationship. Also, another good method is to select appropriate external language resources, such as hiring translators and interpreters, to deal with the language barrier. For example, W project sent their translators to study English in British and American and hired suitable translators with high pay from Almaty and American after acquisition of the American company in the mid-90s, which showed great attention on the working language and communication by 9% translators of the total number of employees in 2004. Thus, reorganization and personnel distributaries have been accomplished smoothly and reduced local staff successfully from more than 4000 people to less than 1000 people after the company was taken over by Chinese. From then on, China employees have increased rapidly and many problems have arisen then because Russian and Kazakh have been paid more attention in English rather than China. Some important issues are delayed or simplified or canceled for the difficulty of explanation, while others lead to communication obstacles that make Chinese managers more and more rely on Chinese employees, which cause the invalid communication and collide with local employees.

Same emphasis of Language Conversational and Thinking Ability

Language ability refers to not only conversational ability, but also thinking ability in the cultural environment in order to acquire information and communicate effectively. In the multinational organization that operates in diverse cultures and locations, members who speak the same language

may often gather together and communicate easily with each other. An American manager in W project once said, "Although English and Russian are working language in the project, Kazakhstan's employees are willing to speak in Kazakh. That's why I want to learn the local language both language and culture if you really want to know what is happening and communicate with upper management effectively." As well as other cross-culture team, Hood and Truijens (1993) also found that language was the important factors considered in an English-speaking environment in a Japanese manufacturing company in Europe, which puts forward higher requirements to improve language ability and thinking in local culture. Although most of Chinese personnel in different management positions in W project can communicate about familiar topics with each other or give a lecture, they can't have further discussion in the work and sufficient expression in the negotiation.

Analysis and Results

Establishing Dynamic Mechanism of Training and Developing of Language

Spolsky (2009) has argued that the main communicational channel between individuals or organizations is working language, which has been expanded into broader areas like cross-culture communication can improve intra-organization communication, inter-unit learning and value creation. Most multinational companies have regarded the parent-subsidiary coordination and integration and identity of corporate culture as the important factors of language management. From the perspective of strategic role, organizational design of language systems has been paid critical attention to the effective multinational company in an international business environment through various training programs, which should be regarded as an important regular and dynamic firm behavior. Considering language diversity and language penetration within a multinational corporate can be conducive to the appropriate working language plan. Each important person has to choose his/her own working language according to his/her work context and language skills. Also, training programs involved all staff can be designed into different grades based on priorities and time, being not a short-term and quick remedial process but a continuous one, including the content related to the work and daily life. There are six periodical stages from "basic communication" to the "skilled communication" in the language management system of Volkswagen, which will last for three years' learning to produce one engineer, accounting, procurement, or salesman who can use foreign language efficiently. Of course, short-term training may be needed sometimes, for example, English and Russian training for the managers about daily communication and business work in order to participate in the activities with related department of local government.

Avoiding Much Dependency on Language Skilled Employees and Dispatched Managers

Many multinational companies offer much dependence on language skilled employees or managers with international management experience, which will be a negative function of local adaptation and responsiveness of global integration when it reaches the higher level. Excessive use of these employees may limit their ability for their own formal duty internal organization and bring them heavy burden. Further, it is evidenced that the biggest challenge for dispatched employees is not the job itself, but communication and language barriers under different cultures. Even they have better professional skills, language ability, interpersonal skills and strong desire to work overseas, it also lead to personnel flow because of adaption to different culture, which is a supporting factor in company development. As a result, it cannot solve the language and communication problems and also weak potential value leading from cultural diversity. Therefore, it is only a kind of transitional solution of the language gap with little influence on internal communication effect.

Focusing on Cross-cultural Management and Overcoming Language Barriers

Multinational corporation in a development period needs to pay more attention to organizational scale and benefit expansion at the same time and take initiative adaption into difference of language management and communication caused by values, beliefs, moral, aesthetic and customs formed under certain social formation. If managers can't face up such cultural conflicts and differences, it

will affect much the enterprise employee's behavior and increase misunderstanding and conflict between them. Whether the cultural conflicts can be overcome or not depends on effective cross-cultural management, but it is paid less attention on that in overseas Chinese company. Therefore, it is necessary to strengthen cultural construction and awareness, enhance cultural sensitivity and adaptability, adapt local culture, and advocate international working language to communicate effectively.

Implementing Talent Localization Strategy and Strengthen the Communication with the Host Country Government

China's overseas enterprises need to implement talent localization strategy and strengthen communication with local authorities, such as hiring more local language proficient talent to take active actions on culture and public affairs and to promote cooperation among enterprises, the local employees, partners, and the host government. Moreover, a good relationship with government departments and the society should be established through social public communication platform. In Kazakhstan, this company is very famous and takes active activities about education, social public welfare, environment protection and cultural integration, especially those for the children of local employees, which reflects hardworking, friendship and cooperation of Chinese culture and can enhance the trust from the host country government, resolve cultural conflicts and promote effective cooperation.

Carrying out Chinese Training Program Actively and Promoting Chinese Culture

Not surprisingly, there are many obstacles to spread Chinese culture and language, because Chinese culture has always been not good at culture expansion and affected by the culture, science and technology, business management of western recently, while the penetration and influence of western culture is larger. Therefore, it is necessary to study language of the developed countries. English, as the common and prominent language in the world, can greatly acquire information and enhance communication efficiency both scientific research and management practice. Generally, people in Kazakhstan always advocate life and entertainment style of western culture and consider that as fashion and advancement, but they are unfamiliar with Chinese culture and hard to overcome psychological barriers to select Chinese as working language.

However, the projects, controlled by Chinese side overseas, can popularize Chinese as working language gradually to explain the differences on culture and spread Chinese culture through the investigation on W project. Knowing a lot about China and choosing Chinese as the working language are good for shareholders, especially when Chinese side holding, if most Chinese overseas employees can't use the second foreign language very well. In that context, Chinese managers can put the effort into more thinking and professional work rather than learning a foreign language so as to develop their knowledge and professional ability. In the above investigation, it is found that no local employees speak in Chinese, especially those who have studied abroad in China funded by this company in recent years. Therefore, it is conducive to improve competitive advantage and management efficiency of overseas Chinese company and transfer knowledge and skills between Chinese employees and local employees.

Conclusion

There are at least three quarters of the multinational companies in the world expanding their network to 20 or more countries. This article has demonstrated that the choice and management of working language in multinational companies can show cultural connotation and company value and relevance between enterprise culture and their development for the language difference and geographic distance (Vaillancourt, 1989). In line with the functional stream of language literatures, effective language-based communication and cross-cultural management can save cost and reduce cultural conflicts, but also bring huge benefits and attract overseas customers. So, there are several avenues for the overseas company, such as improving the communication effectiveness, keeping the

efficiency of internal information flow and decision-making, adapting quickly to local environment and strengthening team cooperation and cohesion of the company.

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