How Globalization is Driving the Demand for Business English
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Though global trade has declined in the years since the 2008 recession and continues to face political headwinds from populist and nationalist movements, trillions of dollars still circulate across international borders.

An increasing amount of high value transactions take place in the area of information and professional services. And most of those services are delivered in English.

**Less trade in goods, more trade in ideas.** According to the World Trade Organization, the growth in trade in 2016 failed to keep pace with overall global GDP growth for the first time since 2001. The vast majority of that dropoff was the result of a decline in trade of manufactured goods, leading to bankruptcies in the shipping industry and an increase in structural costs of moving freight.

Data, information and services do not require shipping to reach across borders. This increasingly valuable cargo travels on networks that are becoming faster, more extensive and cheaper to maintain via innovations like machine learning, which automates administration and improves security by spotting and blocking potential threats.

The WTO estimated commercial services exports among its members topped $4.65 trillion in 2015, about 25% of total global trade. 53% of that was conducted by the ten largest economies; 38% by developing countries.

The United States remains a critical market for global commercial services, along with other English-speaking markets like the UK, Australia and Canada. The strength of the US dollar going in to 2017 and beyond indicates this trend is likely to continue, with foreign sellers competing aggressively for American business.

**English is the gateway to the US services market.** US GDP grew 2.9% in the third quarter of 2016 and both the stock market and the dollar soared following the Presidential election. American businesses and American consumers are opening their wallets for the first time in a decade.
Overseas companies looking to strike deals with American customers must be ready to do business in English. Purchasing decisions for everything from cloud computing services to financial investments is often decentralized. Line and division managers within companies, who have profit and loss responsibilities to executive leadership, are the targets of marketing campaigns and the primary buyers in sales engagements. Technical experts, lawyers, risk managers, IT managers and labor are often key influencers and stakeholders.

That means it is not enough for foreign companies to send a sales delegation with one or two proficient English speakers to meet with a core group of executives who make buying decisions for the entire organization. Everyone on the sales and marketing team needs to be prepared to communicate with their peers on details related to the sale, whether the transaction is about products or services.

**Supporting commercial services in a global market.** Trading goods is straightforward and transactional, but trade in commercial services requires development of long-term client relationships. That means English language proficiency cannot be limited to the people tasked to negotiate the initial deal, but must also extend to the teams who support the client and provide the services over the life of the relationship. And their language competency must be strong enough to participate in detailed technical and business conversations with full fluency and comprehension.

For US businesses operating in a regulated environment, where customer expectations are constantly rising and customer voices constantly being heard via social media and other channels, quality and consistency of service from foreign partners is mission critical. Misunderstandings caused by simple language issues at the lowest level of the relationship can reverberate through the global supply chain, with profound and costly consequences, including errors, missed sales opportunities, customer frustration, duplication of effort, and perceptions of low quality or carelessness throughout the process.

**English is not just for English-speaking markets.** While demand from a strong and expanding US economy may be the primary driver of global trade expansion in coming years, there are trillions of dollars in trade opportunities available between partners in non-English speaking countries, where English may be the only common language.

All the investments required to do business with customers in the United States, UK, Canada and elsewhere therefore also apply to, say, Chinese companies seeking to do business in Brazil, or Italian companies serving clients in Thailand. In those cases, proficiency in business English is required on both sides of the transaction and on both sides of the service relationship.
Global English for a global services economy. Even if globalization recedes from the highwater mark it reached in the 2012-2014 period, the demand for language skills that can negotiate these very specific kinds of international relationships will continue to grow. Moreover, the increasing prevalence of English as the global language of business necessitates a different approach to language instruction.

Mark Warschauer of the America-Mideast Educational and Training Services group, wrote in an article called “The Changing Global Economy and the Future of English Teaching” (2000), that the expansion of globalization in general, and the Internet in particular, requires a more pragmatic, project-based approach to teaching and learning English as a means of both commercial development and individual empowerment. “The spread of world Englishes, changes in employment patterns, and the emergence of new technological literacies are mutually enforcing trends of the global economy,” he wrote, and “some common approaches can be adopted to respond properly to them.”