Instituting a single language isn’t without its risks

By growing to an international scale, many companies become a true “Tower of Babel”. To resolve the communication problems posed by linguistic diversity, some companies have instituted a common business language, a “lingua franca,” which is most often English. This is the case, for example, of French multinational corporations Renault and Technicolor (formerly Thomson), of German corporations SAP and Siemens, of European group Airbus, of the Finish company Nokia, and of the Japanese Rakuten Group, which have all adopted English as their official business language.

This measure aims, of course, to facilitate the exchange of information not only within multinationals, but also between them and their clients or suppliers, which are scattered at all four corners of the globe. Mandating the use of an official working language poses the risk, however, of adversely affecting the firm’s performance if it is not adopted well internally. A study conducted by Tsedal Neeley, professor at Harvard University, reveals, in fact, that such an adoption often results in a decrease, at least temporarily, in employee productivity. Those constrained to using a non-native language feel, unsurprisingly, a decrease in their status within the organization. The fear of expressing themselves poorly in the lingua franca often leads them to use avoidance strategies, which undermines collaboration with those who speak the language fluently. Native speakers often mistakenly interpret their non-native colleagues’ avoidance as a sign of disregard. Far from allowing better cooperation within the firm, the adoption of an official business language, if not framed well, reinforces divisions between employees.

The Japanese internet services company Rakuten Group, which acquired the French internet marketplace PriceMinister in 2010, recently experienced difficulties with the adoption of a common business language. The CEO, Hiroshi Mikitani, announced in 2010 his intention to make English the official working language not only in Rakuten’s subsidiaries abroad, but also in Japan where the group counts over 7,000 employees. Although this decision was welcomed by the foreign subsidiaries of the group, which saw the potential for better synergy with the head office, the stress generated by this mandate had negative consequences on the productivity of a large number of Japanese employees.

Today, Mikitani works in collaboration with Tsedal Neeley to design a better transition strategy. According to Professor Neeley, firms must assist their employees in learning the official business language by financing courses, organizing seminars and ideally, when possible, creating exchange programs that allow members of the organization to spend several months abroad. Finally, those who speak the official language fluently must also be trained to improve their capacity to listen. This training is essential when native speakers of the mandated language have never had to express themselves in a foreign language, as is sometimes the case with native English speakers. The goal is to make them feel real empathy, since
without it the chances of establishing healthy and efficient communication with other employees are jeopardized.

If mandating a common business language is necessary for the better integration of subsidiaries within multinationals, managers must not underestimate the risks of a poorly executed transition. Also, managers should not forget that the internal use of a lingua franca does not exempt firms from adapting themselves to the linguistic and cultural identities of the various countries in which they are located and to which they sell their products and services.

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