

“IT’S ALWAYS ENGLISH – ISN’T IT?”
An exploratory study on language use in Finnish exports to Russia

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Abstract

This paper challenges the narrow and simplistic view of English as the *lingua franca* for all international business by exploring language use in the export operations of Finnish companies to Russia. Based on existing literature on the use of languages in international business we made three propositions, which were explored against survey data from 44 Finnish firms. Our results show that first, Russian is at least as an important language in the Russian export of Finnish firms as English. Both languages are used and needed, and the practitioners involved make optimal use of this language combination. Second, we found Russian skills to be an important recruitment criterion for personnel in Finnish export operations targeted at Russia. These language skills should, however, be viewed, as an indicator of the employee’s earlier knowledge and experience of Russian business culture, rather than mere language competence. In addition, our data indicated that rather than ‘language specialists’, companies need business or technical professionals with adequate language skills for successful communication. Finally, we showed that the recruitment of Russian-speaking immigrants is positively linked to the relative importance of Russian exports of the company turnover.

Keywords: international business communication, corporate language, language use, language competence, English as a lingua franca (ELF), export, Russia, Russian-speaking immigrants, recruitment criteria

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INTRODUCTION

In today's international business, the language for communication is English. More specifically, international business is conducted in ELF (English as a *lingua franca*), or BELF (English as a *lingua franca* in business contexts; see Louhiala-Salminen et al., 2005). It is widely acknowledged that English is conquering in all fronts. For example, because of international mergers and acquisitions, English is increasingly used not only in company-external but also in company-internal communication. This is no doubt a distinct trend – but is the overwhelming pattern the same in all contexts?

It seems to us that the changing geographical structures in international business in recent decades have increasingly challenged the view of ELF as the only communicative tool for international business. The emergence of previously closed economies of Eastern Europe and Asia as key players in the global marketplace has invited companies to revisit their language strategies in respect to the use of local language. On the one hand, in former socialist countries, such as Russia, competence in English among the business community is often not sufficient for the needs of international business communication. On the other hand, it has been proposed that tolerance of foreign languages is inversely related to the economic and political importance of a country (Enderwick and Akoorie, 1994). This would result in rising “linguistic nationalism” (Embleton and Hagen, 1992) in the most powerful economies with clients asserting their rights to do business in their own language. Hence, it could be assumed that the role of local language in large emerging economies would grow in the future. Consequently, the importance of foreign language competence as a recruitment criterion might be expected to grow. In addition to local recruits with foreign language skills, immigrants from emerging economies possessing not only language skills

but also cultural and practical knowledge in general would hence become increasingly demanded in international companies.

The dominance of English as *the* language of international business communication is also reflected in the current research on the role of language in international business relationships. Most existing research has been conducted in English native-speaker environments, and studies have addressed the (lacking) foreign language competence and the use of English versus customer's language in English-speaking countries (see, e.g. Marcella and Davies, 2004; Marcella et al., 2002; Clarke, 2000; Visser, 1995; Enderwick and Akoorie, 1994). Similarly, research on the importance of immigrant employees for international marketing strategies (e.g. Chung, 2008; Hyde and Chung, 2002) can be found mainly from English-speaking contexts. We have, however, every reason to believe that the communicative challenges and language patterns in trade between non- English-speaking countries would be different.

The purpose of this paper is to empirically explore the relative importance of three languages, i.e. English, Finnish and Russian, in the export operations of Finnish companies to Russia. In addition, we examine the relative importance of language skills as recruitment criteria when staff are hired for these operations. Finally, we are interested in whether Finnish companies exporting to Russia have employed Russian-speaking¹ immigrants in their export departments.

Next, the paper offers a brief literature review of the principal contributions in this area, which is followed by an introduction to our empirical set-up of Finnish-Russian trade.

¹ From now on we use the term Russian in terms of language, i.e. as a reference to immigrants with Russian as their first mother tongue. Consequently, in addition to immigrants from the Russian Federation, only part of which represents ethnic Russians, this group includes immigrants from other parts of the former Soviet Union.

After that, we describe our data and methodology. Finally, we present and discuss our main research findings and draw conclusions and suggestions for further research.

LITERATURE REVIEW

The role of language(s) within international business is a research area located at the crossroads of several disciplines: international management studies, international business communication research and international marketing studies, to name a few. The two former streams of research, which in some respects can be seen as increasingly converging, have often focused on language as a tool for global strategy implementation in multinational companies (MNC). In those instances, the company needs to make choices concerning the language to be used in its internal communication between the headquarters and the subunits, and among the subunits (Luo and Shenkar, 2006). Moreover, it has been argued that the use of a local language in a subunit is positively correlated with the need for local adaptation (ibid).

Overall, today's complex business environment with new technologies, structures, multiple languages and cultures has highlighted the salient role of communication in business activities in general, and international activities in particular (see Louhiala-Salminen, in press). This can also be seen in the increasing scholarly interest in communication related issues. In international business communication, the communicative competence of business practitioners and the 'communicative success' of these practitioners on the one hand, and of various organizations and organizational structures on the other hand, have been explored from a variety of perspectives (e.g.

Kankaanranta and Louhiala-Salminen, 2008; Charles, 2007; Lehmuskallio, 2006). Here, the role of language is naturally crucial.

In recent years a number of studies have emerged that look at such aspects as power issues, communication flows and communicative competence in BELF contexts (Louhiala-Salminen et al., 2005; Rogerson-Revell, 2007; Kankaanranta, 2006; Poncini, 2004; Planken, 2005) and take a holistic and constructionist approach towards communication. Traditional approaches, which emphasize language skills as such and view communicative acts from the perspective of linguistic accuracy based on native-speakerlike norms, and consider native speakers as the *tertium comparandis* have been questioned. In traditional linguistic comparisons the non-native speaker inevitably comes out as the root of all trouble and misunderstanding. Research carried out on communication challenges in globally operating multinationals, however, clearly indicates that the root of the perceived communication problems may well lie in other aspects of communication than linguistic accuracy (Marschan, 1996; also Charles and Marschan-Piekkari, 2002), and that the language skills of individual employees are merely one aspect - albeit an important one - of corporate communication processes.

Taken the dominance of English as the *lingua franca* in international business, it is not surprising that the research on language strategies of MNCs has emphasized the problems of English as the common corporate language. It has been pointed out that the mere introduction of English as the corporate language does not automatically lead to its adoption, nor does it make it “shared” throughout the organization (Fredriksson et al., 2006). Consequently, internal communication processes in MNCs are typified by linguistic diversity (Marschan-Piekkari et al., 1999) – or “multilingual reality” (Charles, 1998).

In addition to addressing the issue of language on the organizational level, researchers have investigated the role of foreign language competence on the managerial level. It has been proposed that competence in the host country language would promote the adjustment of foreign business expatriates (Selmer, 2006), thereby leading to increased satisfaction and less turnover (Shaffer and Harrison, 1998) as well as to better work performance (Kraimer et al., 2001; Parker and McEvoy, 1993). However, it is intriguing that particularly in native English-speaking countries language ability is not rated highly among the skills valued in applicants for positions in international business (see e.g. Enderwick and Gray, 1993; Walters, 1990). Studies particularly focusing on the expatriate selection process, however, report conflicting findings regarding the role and importance of foreign languages. There is evidence that foreign language competence is ranked highly as a recruitment criterion (Frankenstein and Hosseini, 1988), but also that it is rated behind technical competence, relational abilities and other criteria (Walters, 1990).

Language strategies and the role of language competence in international business has also been addressed from the international marketing perspective. Often, language strategies have been investigated as part of the broader issue of global standardization versus local tailoring in international marketing and export operations. The geographical emphasis of these studies has been in English-speaking countries, such as Scotland, New Zealand and Ireland. Consequently, the use of English in international marketing communication, and as the language of export in general, has been viewed as the norm. A number of studies have confirmed that the use of customer language by exporters from English-speaking countries is rather an exception from the rule (Marcella et al., 2002; Clarke, 2000; Visser, 1995). Interestingly, existing studies have identified a gap between exporters' perceptions about the importance of foreign language competence for export

success and their actual language policies (Visser, 1995; Marcella et al., 2002). Particularly small firms give a low priority to language skills as a recruitment criterion, and instead emphasize business and technical skills, resorting to ad-hoc solutions such as contracted translators when there is a need (Visser, 1995).

Moreover, although foreign language competence is commonly viewed as promoting export success, research evidence concerning the linkage between language skills and export performance is contradictory. Some studies have showed that export performance is positively correlated with the entrepreneur's or other decision-maker's linguistic skills (Lautanen, 2000; Weaver and Pak, 1990) or the employment of language specialists (Enderwick and Akoorie, 1994). Others have found no significant differences in the language abilities of exporters and non-exporters (e.g. Cavusgil and Naor, 1987). More recently, it has been pointed out that although the knowledge of a foreign language fosters information gathering from overseas markets, it does not necessarily lead to better information use (Williams and Chaston, 2004). Foreign language skills can, therefore, be viewed as having an indirect impact to export performance - a means of overcoming such cultural barriers that might inhibit the development of business opportunities (Swift, 1991).

A related stream of literature has investigated the role of immigrants in international trade and business. Here, language is one of the key aspects of immigrants' knowledge about their birthplace (Chung, 2008; Gould, 1994; Ramaseshan and Patton, 1994; Rauch, 1999). The empirical results are, however, somewhat mixed. On the macro-level it has been shown that immigrants contribute positively to the growth of trade between their new home country and their country of origin (see, e.g. Gould, 1994; Wagner et al., 2002) In addition, there is some evidence from an English-speaking country (the U.S.) that such an 'immigration effect' is greater when the immigrants come from a non-English speaking

country (Gould, 1994). On the other hand, research conducted on the firm-level has shown that immigrant employees of firms located in an English-speaking country are most often from another English-speaking country (Chung, 2008). This indicates that language is only one criterion among others (such as the market size of the immigrant's home country) in the recruitment decision (Chung, 2008). In other words, it can be expected that immigrants would hardly be hired only because of their language skills. An exception, though, seem to be "temporal" immigrants such as foreign students, who are hired to solve short-term recruitment problems and serve a language need in exporting companies (Pollitt, 2007).

To sum up, existing research on the role of language(s) in international business has gaps, which call for attention. First, the existing empirical evidence is dominated by data collected in English-speaking countries, whereas the use of language in business relations between firms from non-English-speaking countries has received almost no research attention. Second, the use of immigrant employees in international marketing and trade operations is an area, which is yet underexplored. In particular, we did not identify any studies addressing the question, whether immigrant employees are hired solely due to their linguistic and cultural skills, or more general technical or business competence with language skills as a bonus, which is often the situation for non-immigrants. The next section gives an overview of the empirical context, which we draw from in order to contribute to filling the gaps in the existing knowledge.

Finnish-Russian business relations as empirical context

The collapse of the Soviet Union in 1991 and the subsequent transition towards a market economy in the Russian Federation dramatically changed the institutional context of the

Finnish-Russian business cooperation. In the Soviet times, it was dominated by trade conducted in the framework of bilateral clearing agreements². In this sense Finnish-Soviet trade was unique, as Finland was the only non-socialist block country with such a bilateral agreement. In the heyday of the clearing era in the mid-1980s exports to the Soviet Union represented a fourth of Finnish exports. Interestingly, due to the centralized nature of the clearing trade system, direct linkages between Finnish and Soviet enterprises were almost nonexistent. Trade negotiations took place between nation-level ministries and their nature was highly formal. The negotiations proceeded on the basis of detailed protocols via Finnish-Russian interpretation. As a consequence, interpreters had a relatively central role in the clearing trade system.

When the Soviet Union collapsed, the institutional framework for the Finnish-Russian business cooperation turned around. The clearing system was abolished, and the cooperation moved on the enterprise level. The trade volume, which had started to decrease already towards the end of the 1980s, momentarily collapsed. Nevertheless, it soon started to pick up and continued to grow until a financial crisis hit the Russian economy in August 1998. The recovery of the Russian economy was, however, surprisingly fast, which gave a new rise to the Finnish-Russian trade as well. Today, Russia is Finland's most important trade partner and second largest export market.

In the early 1990s, Russian was the dominant language in the Finnish-Russian business cooperation. This was in part due to the legacies of the previous system; on the one hand Finnish companies hired people with experience in the clearing system and thus a good knowledge in Russian. Their educational background was usually in language studies rather than business and administration. On the other hand, Russian business practitioners

² Government-to-government reciprocal trade agreement up to a specific amount and for a limited period.

had only limited knowledge of English or any other foreign language. However, the liberalization of the Russian business environment also attracted Finnish small and medium-sized enterprises (SMEs) to the Russian market. For many of them, Russia was the first international market and, therefore, these companies were used to operating in Finnish only. Consequently, they aimed to find partners or local employees with some knowledge in Finnish, or relied on interpreters in their business communication in Russia.

As the Russian transition towards market economy has proceeded, the role of English in the Russian economy overall has strengthened, and it seems that the language of business communication in Finnish-Russian cooperation is increasingly English. This is in part due to the emergence of a new generation of Russian managers, many of whom have a Western-style business education, including a strong emphasis on language skills. Curiously, while conducting interviews with young Russian managers, we have often noticed that the interviewee would prefer to use English despite the fluency of the interviewer in Russian. Another reason for the possible emerging dominance of English is the fact that even large Finnish companies, which have previously been very cautious to invest in Russia, are increasingly entering the market. Many of them are already operating internationally, and therefore, the use of English as the language of business communication is a natural choice.

The above-presented illustration of the history and current state of the art in Finnish-Russian business communication is based on observations that one of the authors and her colleagues have made when investigating various aspects of Finnish-Russian trade and business relations (see, e.g. Heliste et al., 2008; Karhunen et al., 2008). The above discussion also clearly shows that the communicative setting of Finnish-Russian business has become more complex in recent years. Finnish-Russian business communication has,

nevertheless, received scant research attention. The few contributions in this sphere have taken a linguistic or a cultural perspective, i.e. with a focus on issues such as cultural differences challenging the communication situations, where the Russian language is used (see, e.g. Buuri and Ratschinsky, 2000; Punna, 1998). Our paper takes a different approach by focusing on the relative importance of languages in export operations.

Research questions and propositions

This paper mirrors the results of our empirical investigation against existing knowledge summarized in the previous sections. More specifically, we aim at finding out whether the dominance of English as the language of international business communication is also observable in Finnish-Russian export relations, what the relative importance of language skills vis-à-vis other recruitment criteria for export operations is, and how frequently Finnish companies employ Russian-speaking immigrants in their export positions related to Russia. Since our study is a preliminary empirical investigation into the relatively unexplored area of language use in export between non English-speaking countries, the research questions were posed without offering formal hypotheses based on specific theoretical assumptions. However, the reflection of our prior empirical knowledge against existing research knowledge does lead to certain logical expectations as to how our specific empirical context may affect the use of language. These expectations can be conveyed through three propositions.

Proposition 1: Despite the dominance of English – i.e. BELF – in international business communication, the Russian language is used at least as frequently as English in the export operations of Finnish firms to Russia.

Proposition 2: Russian language competence is at least as important as other recruitment criteria for Finnish export operations to Russia.

Proposition 3: Russian-speaking immigrants are frequently employed in the export operations of Finnish companies targeted to Russia.

These propositions will be explored against our survey data, the characteristics of which are presented in the next section, together with methodological considerations.

DATA AND METHODOLOGY

The empirical data used in this paper are retrieved from a survey, which investigated the use of language(s) and communication challenges in the Russian operations of Finnish companies (for a detailed report on the survey see Bloigu 2008). The study was conducted in November-December 2007 as a web-based survey. The survey sample was formed on the basis of the membership directory of the Finnish-Russian Chamber of Commerce. The e-mail addresses of the companies were retrieved from their websites indentifying the contact persons responsible for their Russian operations. The contact persons were mostly export or sales managers, or CEOs (small companies). Telephone calls were made to part of

the enterprises to verify that the contact person is the one responsible for Russian operations.

The survey questionnaire was sent via Webropol software to 269 enterprises in November 2007, and the respondents were given ten days to reply. After the expiration of the first deadline, non-respondents were sent a reminder via e-mail and a new deadline was given. In addition, the questionnaire was sent to 30 new companies. In the sample we had 13 cases, where the message did not reach the respondent due to technical reasons, but was returned to the sender. The final sample was therefore 286 companies, of which acceptable responses were received from 69 companies. The response rate was hence 24%, which can be regarded as satisfactory for a questionnaire survey.

In the questionnaire the respondents were asked to identify, what the principal nature of their Russian operations is. The alternatives were *export from Finland* or *operations through the company's own business unit (sales office, production unit) in Russia*. For the purposes of this paper, we selected the respondents representing the former category, i.e. export from Finland, which resulted in a sub-sample of 49 enterprises. As our purpose was not to test hypotheses by statistical methods, we base our analysis of the data on basic descriptive statistics. The Webropol survey software allowed us to retrieve basic cross-tabulations, i.e. treat the sub-sample of exporters separately from the rest of the data.

The survey questionnaire consisted of four blocks of questions, of which the majority were multiple choice questions. In addition, facts such as the number of Finns/Russians employed in the export operations to Russia were searched by open questions. The first block of questions covered background variables such as size and industry. Second, the respondents were asked to assess the challenges related to Finnish-Russian business communication. The third block focused on the characteristics of

personnel dealing with export to Russia. These questions included the number of Finns/Russians involved in the company's Russian export, the employees' educational background, and importance of language skills as recruitment criteria. Finally, we asked about the actual use of different languages (English, Finnish, and Russian) in different communication situations, and whether there had occurred changes in this respect.

The survey software allowed us to produce basic distributions of the multiple choice questions, as well as a list of the actual answers to open questions. Moreover, we used basic cross-tabulations to look for possible explanations in background variables, but did not conduct actual statistical tests. For the analysis of a sample of this size (49 answers) such a qualitative analysis of the data was considered appropriate. The following section presents the key findings of our empirical analysis.

RESEARCH FINDINGS

To start with, we are presenting a brief overview of the general characteristics of the companies included in our analysis. As mentioned in the previous section, the total number of respondents amounted to 49; however, all respondents did not answer all questions, which is why the totals for the different questions may be less than 49 in the discussion to follow. Table 1 summarizes the distribution of respondents according to background variables related to the sector, size and age of the company.

Table 1: General characteristics of the surveyed companies, number of respondents

Sector	N	Turnover	N	Number of employees	N	Year of foundation	N
Services and transportation	9	< 2 mln Euro	12	1-9	11	-1979	18
Trade and construction	12	2-9 mln Euro	14	10-49	15	1980-1989	4
Manufacturing	22	10-50 mln Euro	10	50-250	12	1990-1999	13
Other	5	>50 mln Euro	7	>250	6	2000-	7
Total responses	48	Total responses	43	Total responses	44	Total responses	42

As shown in the table, the companies differed in terms of industry, size and age. Approximately half of the companies represented manufacturing, and the majority of them were involved in the manufacturing of investment goods, such as machinery and equipment and construction materials. The service companies in the sample were mostly involved in business to business services, such as consulting and construction planning. The category of trade and construction mostly included companies, which were involved in trade with no production of their own.

The size of the companies was measured by turnover and number of employees. The majority of the companies can be classified as small and medium sized enterprises (SME), whereas only seven companies had a turnover exceeding 50 million Euro and personnel of more than 250 employees. Moreover, micro-enterprises with less than 10 employees represented approximately a quarter of all respondents.

Finally, the sample included both relatively young enterprises and companies with a long history. Slightly more than half of the companies were at least 20 years old, the majority of which had been founded at least 30 years ago. At the other end, again, there were seven companies with a history of less than 10 years.

In addition to the general company characteristics, we asked the respondents about the relative importance of Russia for them as an export market. The results are shown in Table 2.

Table 2: The share of Russian exports of company turnover

% -share	Number of respondents
< 5%	11
5-10%	6
11-25%	10
26-50%	4
51-75%	2
>75%	11
Total	44

The table shows that for most enterprises exports to Russia constitute less than 25% of company turnover. For a quarter of companies, however, Russian exports dominate the turnover. These are obviously trading companies which have a business idea based on trade with Russia. Later in this paper we will use this indicator to investigate the correlation between the financial importance of Russian export to the company and use of languages.

In geographical terms, the Russian export of the respondents' companies was concentrated to the two main cities, Moscow and St. Petersburg. A total of 90% of the 44 respondents who answered this question had customers in St. Petersburg or its surroundings, and 84% in Moscow. Interestingly, the Ural region and Siberia were export markets for 50% of the companies, whereas other regions that would be closer to Finland were less frequently mentioned.

After this brief overview of the general characteristics of our survey sample, we now move on to examining our propositions against our empirical data. We start with

language use in export operations to Russia, then move on to analyzing the relative importance of an applicant's Russian language competence as a recruitment criterion, and finally investigate, whether Finnish firms employ Russian immigrants in their export operations to Russia.

The use of languages in exports to Russia: English, Finnish or Russian?

We start our investigation of the use of different languages in export operations from a general question regarding 'corporate language', i.e. whether the company has an official language and if so, what the language it is. Of the 44 companies that replied to this question, 35 reported that their official language is Finnish. Four companies declared that their official company language is English, in addition to which one company has Russian as the company language. Finally, four companies replied that they don't have an official company language.

Moreover, we explored the question of language policy regarding the Internet pages of the companies to find out in which languages the pages are offered. Here, the respondents were able to select all languages in which their websites are published. Interestingly, English was the most popular language of the web-pages (39 respondents), followed by Finnish (36) and Russian (30). We can see that all companies did not have Finnish web-pages at all, and that the majority had produced their pages both in English and in Russian, in addition to the native language Finnish. Therefore, it is obvious that the companies have acknowledged the value of foreign languages in their external communication. When cross-tabulating the existence of Internet pages in different languages with the relative importance of the Russian export for company turnover, we

found that the likelihood of having web-pages in Russian positively correlates with the share of Russian export in turnover. For English-language pages such a clear linkage was not found.

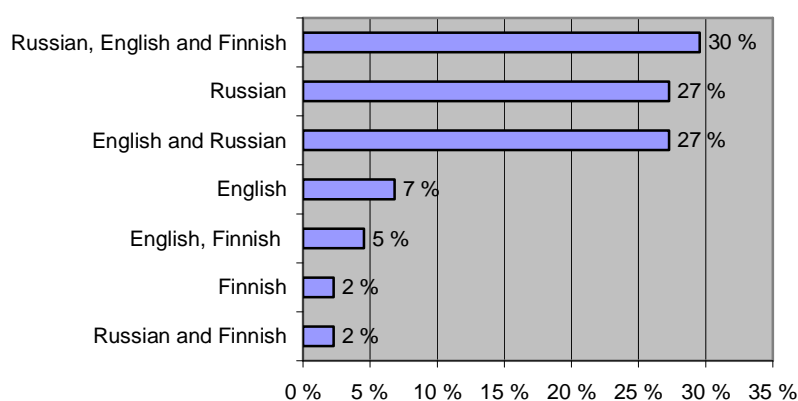
Communication with Russian customers in general was described as fluent or relatively fluent by the majority of respondents. Most difficulties were experienced in phone conversations and meetings, where six (telephone) and four (meetings) out of the 44 respondents described the communication as complicated. However, lack of language skills was only on the fourth place among problems experienced in Russian export. The most often selected problem area was customs and logistics (mentioned by 29 respondents), followed by bureaucracy and corruption, which were both mentioned by 19 out of 44 respondents. Lack of language skills was ticked by 18 respondents. Interestingly, finding customers was mentioned as problematic by only 13 respondents, which would indicate that the lack of language skills does not necessarily prevent finding customers.

Moreover, the respondents were asked to specify the nature of the inadequate language skills, which were considered a problem. Here, a total of 24 respondents commented on the question, including some respondents who had not explicitly mentioned the language issue as a problem. The major claims concerned the competence in Russian of Finns and the competence in English of Russians. Almost all respondents (22) reported that the competence in Russian among Finns is insufficient, whereas the insufficient competence in English among Russians was mentioned by 19 respondents. Three respondents found the lack of Finnish skills among Russians as a problem, and one respondent criticized Finns for their inadequate English language skills. These figures clearly indicate that the Finnish exporters find 'communicative success' in their Russian exports as requiring two kinds of linguistic competence. Firstly, to some extent, they

themselves have to be able to speak Russian, and secondly, the Russian counterparts are expected to be able to communicate in English.

Regarding the actual use of languages, the majority of the companies reported that they use more than one language (Figure 1).

Figure 1: Use of different languages in Russian exports (N=44)



As illustrated in the figure, Russian has a strong position in Finnish-Russian trade relations. However, it is equally common to use both English and Russian or a combination of English, Russian and Finnish, but the number of those companies that rely solely on English or Finnish are few. Russian dominates all forms of communication, i.e. e-mails, phone conversations and negotiations. The role of English is strongest in e-mail messages.

We also asked the respondents to analyze the roles of different languages in their Russian export more in detail. Considering Russian, two thirds of the 44 respondents thought that knowing Russian is necessary for the company's export activities. One third considered it as beneficial, and only one respondent said that there is no need to know Russian. He justified his opinion by saying that "*Russian managers are younger [than*

before] and educated, and speak good English.” The perceived need for Russian had a linkage to the importance of Russian export in the company turnover – practically all companies with their share of Russian export exceeding 25% of turnover found ‘Russian language skills’ as necessary. The significance of Russian language in Russian export in general was viewed as unchanged by 64% out of the 44 of respondents, whereas 30% found that it had increased. Only three respondents found that the significance had decreased.

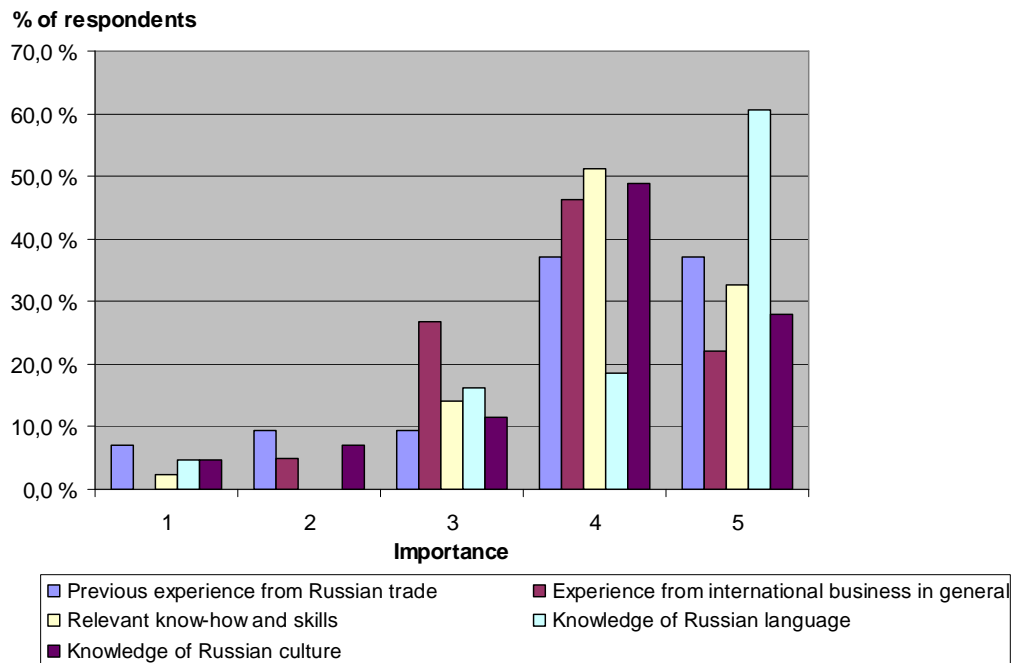
The roles of English and Finnish in Russian export were described as follows. English is a “supportive” language alongside with Russian for 58% and a major language for 28% of respondents. Only six respondents reported that they don’t use English in their Russian export. Finnish was clearly less used; slightly over half of the companies don’t use Finnish at all. However, 40% of the companies use Finnish as a supportive language for the other two languages. For two companies Finnish has a major role.

Furthermore, the majority of the companies still resort to interpreters in their export. Only a quarter of the companies that reported on this question (N=42) do not use interpreters at all, whereas a third of them use them frequently, and 45% occasionally. Interpretation is most often between Finnish and Russian, although half of the companies also use English-Russian translation. According to approximately three quarters of the respondents, the use of interpreters has remained unchanged or even increased, whereas the remaining 25 % find it as having decreased.

Russian language competence as a recruitment criterion: Do you need to know Russian to do business with Russians?

We also investigated the relative importance of Russian language competence vis-à-vis other recruitment criteria. Here, due to a technical shortcoming of the survey software we were not able to ask the respondents to rank the different criteria in order of importance. Instead, we had to ask about their views of the importance of each criterion separately. Consequently, there was a tendency by the respondents to rate all criteria as important.

Figure 2: Relative importance of recruitment criteria (N=44)*



* 1-not important, 2-relatively unimportant, 3-neither important nor unimportant, 4-relatively important, 5-very important

As shown in the figure, the respondents emphasized competence in the Russian language as a recruitment criterion somewhat over other criteria. Approximately 80 per cent of the 44

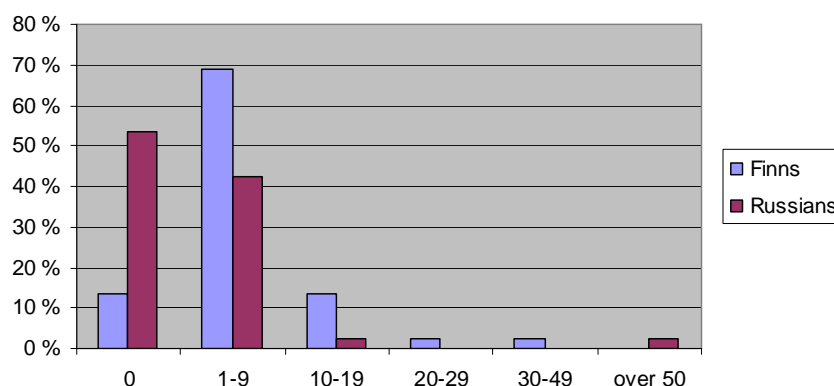
respondents commenting this question regarded it as relatively important or very important; ‘very important’ was even chosen by 60% of the respondents. In contrast, ‘knowledge of Russian culture’ was not viewed as crucial, although important. However, in addition to cultural knowledge – which, for that matter is a somewhat problematic concept – the respondents emphasized ‘previous experience from Russian trade’, which criterion could be seen to incorporate all kinds of important cultural and business knowledge, perhaps also including aspects of communicative competence. In addition, task-specific know-how and skills were viewed as relatively or very important by more than 80% of respondents. However, it is interesting to note that in this criterion the most frequently mentioned alternative was relatively important. We found it somewhat unexpected that international business experience in general was not considered particularly important as a recruitment criterion.

The results of the previous question were confirmed by the results of another question, specifying the importance of Russian skills (vis-à-vis other criteria) when recruiting Finns to positions related to Russian export. Approximately 60% of the 44 respondents valued them as very important and ca. a third as relatively important. Interestingly, when we inquired about the recruitment needs of companies in their Russian export, the results were somewhat contradictory; 80 % of the respondents reported that what they need most are business professionals, and 50% said that they have most urgent needs for technical professionals. In contrast, “pure” language specialists with an educational background in humanities are practically not needed. Hence, it seems that the companies are, after all, looking for all-around specialists, i.e. business or technical professionals with ‘appropriate’ language skills that can be utilized for effective communication.

Recruitment of Russian immigrant employees: Is it the language that matters?

In addition to exploring the use of languages, and the importance of Russian language competence as a recruitment criterion, we inquired the respondents about the education and nationality of the personnel involved in Russian export. First, we asked, how many persons (Finns and Russians) are involved in the company's Russian export operations.

Figure 3: Number of Finns and Russians involved in Russian export, % of respondents (N=45)

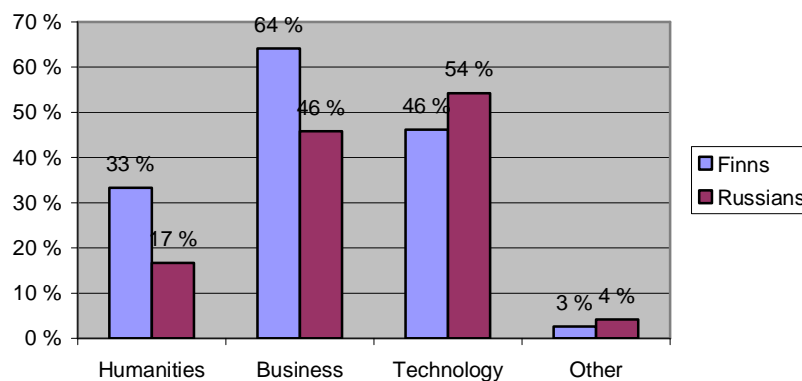


The figure shows that the Finnish exports to Russia are mostly in Finnish hands. In nearly 70% of the 45 companies responding this question the number of Finns dealing with Russian export varies between 1 and 9 persons. Furthermore, slightly over half of the companies reported that they do not have any Russians in their company. However, 42% had at least one Russian employee. On average Russian export employed 2.1 Finns and 1.6 Russians. Furthermore, cross-tabulating the number of Russian employees against the share of Russian exports in the company turnover shed more light on the issue. The majority of those companies, where the share of Russian exports of turnover was less than 25% did not have any Russians in their payroll. In contrast, the majority of the firms for which Russian

exports contributed more than a quarter of the turnover had at least one Russian employee. Some of them did not have any Finns involved with Russian exports. Here, an interesting question for further research is the causal relationship: is the larger share of Russians in export personnel a cause or a consequence of the larger export volume?

Finally, we investigated the educational background of Finns and Russians to see, whether there is any difference as regards to potential recruitment criteria. Figure 4 summarizes our findings in this respect.

Figure 4: Educational background of Finns and Russians involved in Russian export, % of respondents*



* Number of respondents reporting educational background: of Finns = 39 , of Russians =24

As shown in the figure, the educational profiles of Finns and Russians differ to some extent. In most companies the Russian export team is a mixture of different backgrounds. Approximately two thirds of the companies have Finns with a business education dealing with Russian export, and nearly 50% of the Finns have a technical background. Interestingly, a third of the companies have Finnish employees with an educational

background in humanities in their Russian export department. These people are most likely language specialists.

When looking at the educational profile of Russian employees, the representatives of humanities are clearly a minority. This is understandable, as their Russian language skills are taken as given. Instead, in the Russian staff people with a technical education are somewhat more often represented than business specialists. One possible explanation is the general emphasis on technical sciences in the Soviet/Russian educational system.

DISCUSSION AND CONCLUSIONS

This paper investigated the language use in the Russian export operations of Finnish firms from two complementary perspectives. First, we analyzed the relative significance of Russian as the language of export, including the extent of its use (when compared to English) and the importance of Russian language competence as a recruitment criterion. Second, we examined the nationality of the user of the Russian language by analyzing the employment of Russian immigrants vis-à-vis native Finns in Russian export positions. We conclude our paper by revisiting the three propositions, which we derived from the existing literature and explored against survey data from 49 Finnish companies. In addition, we discuss the limitations of our study and make suggestions for further research.

Our first proposition was formulated as “*Despite the dominance of English – i.e. BELF – in international business communication, the Russian language is used at least as frequently as English in the export operations of Finnish firms to Russia.*” The results of our empirical analysis give us a reason to agree with the proposition: both languages are

used and needed, although for somewhat different purposes. We therefore maintain that communicative success in this context (trade between Finland and Russia) requires both the use of English as the *lingua franca*, and the customer's language. In doing so we challenge the universality of earlier findings, which have been based on empirical research in English-speaking national contexts (Marcella et al., 2002; Clarke, 2000; Visser, 1995). Furthermore, the different situations, where each of the languages is used, demonstrate that the practitioners involved make optimal use of this language combination for their own situation-specific purposes. Earlier, when the Russian language dominated communication, Finns had to use a foreign (learnt) language, whereas Russians were using their native language. Therefore, we argue that the increasing use of English alongside Russian in Finnish-Russian trade has put the partners on a more equal footing as regards business communication. (cf. Louhiala-Salminen et al., 2005).

The second proposition that we put forward was "*Russian language competence is at least as important as other recruitment criteria for Finnish export operations to Russia*". At the first glance, our survey results confirmed this proposition but also revealed that companies hardly treat language competence as an independent criterion. Rather, mastering a language is an indicator of more comprehensive knowledge and experience of cultural practices, corporate cultures and communication practices. This was confirmed by the fact that although the surveyed companies rated the importance of language skills high as recruitment criteria, they perceived little need for 'pure' language specialists. Hence, it seems that the companies are, after all, looking for all-around specialists, i.e. business or technical professionals with 'appropriate' language skills that can be utilized for effective communication.

Finally, we proposed that “*Russian-speaking immigrants are frequently employed in the export operations of Finnish companies targeted to Russia*”. In view of our empirical results we do not wholly agree with this proposition. Finnish exports to Russia seem to be firmly in Finnish hands, in particular in companies where the Russian exports do not significantly contribute to the company turnover. In contrast, an interesting finding for further investigation was the fact that the use of Russians in export operations correlates positively with the importance of Russian export for the company turnover. The causality of this relationship is, however, not straightforward. On the one hand it might be that the need for native Russian speakers increases along the growing export volumes to Russia. On the other hand, Russian employees may contribute to the export growth due to their local knowledge.

Limitations and suggestions for future research

Our paper provided novel empirical knowledge on the relatively unexplored area of language use in export between non-English-speaking countries. Like all academic research our study has, nevertheless, its limitations. First, our analysis was based on a relatively small sample, which is why we avoid making any generalizations of our results. Our work, however, provides guidelines for further larger-scale surveys, where our propositions might be tested. We recognize the limitation of our data also in terms of its focus on one pair of countries (Finland and Russia). Consequently, additional research is needed to find out, which features of the language use are specific to export operations of Finnish firms on the one hand, and to import operations of Russian firms on the other. In other words, our results would benefit from comparison with knowledge on first, whether the customer’s

language dominates also in Finnish exports to countries other than Russia, and second, the role of Russian in exports to Russia from other countries than Finland.

Finally, our analysis of the data raised a number of questions, which would deserve explicit attention in future research. In particular, the causal relationship between export success and use of immigrant employees would need to be investigated on the company level. Such inquiry would add to the existing knowledge on immigrant effects on trade, which so far has been mainly gathered on the macro level of the economy.

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