Language Policy in Multilingual Organizations

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Little academic research on how language is used in corporations has been conducted in the field of language planning and policy. A number of language policy researchers have discussed the language needs of the business world, while virtually all of the scant literature on what a framework for corporate language policy would look like has been conducted by human resource management scholars and published in business management journals. This lack of attention in the academic literature is surprising, since corporate language policy (presumably) affects everyone, either directly or indirectly, who works in or will work in a corporation. Language presents particular resources and challenges in multilingual organizations. One particular challenge looked at in this paper is how to reconcile power implications of language choice with organizational need for effective communication. In order for an international organization to have an effective language policy, it must carefully consider its linguistic needs and be able to develop and capture the linguistic knowledge of its employees to surmount communication barriers. Language management as a form of knowledge management is proposed, and recommendations are made with regard to best practices, directions for language research, and opportunities for corporate-higher education partnerships.

Introduction

Language policy can be understood as the explicit and implicit policies used in an attempt to change the language behavior of individuals within a society. As such, language policy may support or discourage the use of languages or varieties of languages within a society. Language planning, according to Tollefson, "refers to all conscious efforts to affect the structure or function of language varieties....The commonly-accepted definition of language policy is that it is language planning by governments" (1991: 16). In the field of language policy and planning, much has been written about the actions of governments, institutions, and organized movements to effect changes in how language is used within society. However, very little academic work has been published with regard to language policy and planning in business organizations. The aims of this paper are to identify best practices with regard to language policy and language management within multinational organizations, to suggest implementation of a language management policy and to recommend future directions for research and practice. In order to achieve this, first, it will provide a schematic depicting language diversity within multinational organizations. This paper will also bring together academic literature from language policy and human resources management to provide a comprehensive view of corporate language policy.

Corporate Language Policy

Why Study Corporate Language Policy?

One reason to study corporate language policy is simply that little academic research on how language is used in corporations has been conducted, although some research has recently been conducted on the power dynamics of language choice. A number of language policy researchers have discussed the language needs of business (Hagen 1988; Ingram 1986, 1996; Lambert 1990; Phillipson 2001), while virtually all of the scant literature on what a framework for corporate language policy would look like has been conducted by human resource management scholars and published in business management journals. A second reason to study language policy in corporations is that corporate language policy (presumably) affects everyone, either directly or indirectly, who works in or will work in a corporation. A third reason to study corporate language policy is that the language needs of business have a direct effect on the language policy decisions of governments, both in the area of social justice and in educational policy. A final reason to study corporate language policy, especially with regard to multinational corporations (MNCs), is that they present unique multilingual societies worthy of academic inquiry. An MNC is commonly defined as a corporation consisting of a parent organization (headquarters) and at least one subsidiary organization in a foreign country. Many MNCs operate in multiple countries and across multiple languages.

A concise perspective on the current direction of language policy research in MNCs is offered by Piekkari, Vaara, Tienari, and Säntti (2005). In their research, the authors focus on the role of language in the communications between parent and subsidiary organizations, as well as in inter-subsidiary communications. They note that multinational organizations

> …can also be conceptualized as multilingual organizations (Barner-Rasmussen & Björkman 2003) in which a language may operate as a barrier (Feely and Harzing 2003), a resource (Holden 2002, Barner-Rasmussen 2003, Marschan-Piekkari et al. 1999a) or a source of power (Marschan-Piekkari et al. 1999), with wide-ranging implications for control, communication and coordination in the multinational corporation (333).

This paper adopts the above-mentioned conceptualization of MNCs in its investigation of corporate language policy and offers a view of the MNC as a multilingual organization. Second, this paper presents literature that investigates corporate language policies as creating linguistic barriers and resources to international organizations. Third, the paper offers examples from academic literature to illustrate the ways in which language policy decisions structure, maintain, and negotiate power relationships within the organization. The fourth section looks at human resources issues with regard to the allocation, appropriation, and acquisition of language skills, as well as the assignment of personnel within whom language resources reside. The final section looks at language management, makes connections to knowledge management, and discusses implications for status planning, corpus planning, and language education planning within the MNC.

Language Dynamics: The Dimensions of Language in MNCs

A single MNC has a language policy that includes a parent company language, a common corporate language, and multiple local (foreign) languages. A parent company language is the language spoken by the majority of parent company employees. It can also be considered the language spoken at the headquarters company. This is often an official language of the nation in which the parent company operates. However, if an MNC has moved its headquarters to another country, or if it has undergone an international merger, the parent company language may be replaced by a common corporate language. A common corporate language (Marschan-Piekkari, Welch, & Welch 1999) is the language of global operations. This is the language in which official information is transferred between subsidiaries and their parent organizations. Due to the spread of English as a global language of communication, the common corporate language is frequently English. A local (foreign) language is the dominant or official language of the nation in which the subsidiary operates, and it is spoken by the locally hired employees and management. Domestic branches and subsidiaries will likely speak the parent company language.

A local language differs from the parent company language in two respects: an MNC only has one parent company language, and the parent company language plays an important role in global communications and top-down decision-making. Local languages spoken in foreign subsidiaries have primarily a geographical or specific market importance; therefore, they are the languages used in local business decisions. Local languages are spoken by the locally hired employees and managers. If the subsidiary is wholly or mostly staffed with expatriate employees (parent company employees who are temporarily or permanently assigned to foreign subsidiaries), the language of local operations is likely to be the same as the parent company language. Table 1 shows the geographic domains and primary users of the three categories of language identified.

A global subsidiary staffed with expatriates and local workers may operate in three or four different languages, each with specific functions. For instance, the local employees of a subsidiary of a Japanese electronics company operating in Tijuana, Mexico would speak the local language (Spanish) and possibly the common corporate language (English) but probably not the parent company language (Japanese), while the expatriate managers would speak the parent company language, the common corporate language, and possibly the local language. Communication between management and the employees may be achieved directly through Spanish, or it may occur indirectly through an intermediary who can speak Spanish and either English or Japanese. Essentially, at least some of the management at the subsidiary level must be bilingual or multilingual.

Table 1
Language geographical domains and users

	Geographical domains	Used primarily by
Parent Company Language	Parent company	Parent company employees
	Domestic branches	Domestic branch employees
	Foreign subsidiaries	Expatriates
Common Corporate Language (usually English)	Parent company; Domestic branches	Parent company management
	Foreign subsidiaries	Expatriates
Local (Foreign) Languages	Foreign subsidiaries	Local subsidiary management; Local employees; Expatriates
	Parent company	Repatriates (i.e., expatriates wh have returned to the parent company)

Languages as Resources and as Barriers

Language policies in corporations are often made for so-called “pragmatic” reasons and are intended to address language needs by enhancing

linguistic resources and removing linguistic barriers. The adoption of a common corporate language may improve communication and remove language barriers by encouraging global linguistic homogeneity. On the other hand, policies that promote the maintenance of the parent company language and promote the usage of foreign languages also improve communication and remove language barriers by recognizing the heterogeneity both of its staff and of its global markets. Often all three types of policy are utilized by MNCs to varying degrees, depending on the linguistic values of the MNC and the resources it has available. The three types of policy, therefore, can be judged as representing language resources and barriers and are described in Table 2.

Table 2
Language Policies

	Resource	Barrier
Common Corporate Language	Improves global corporate-wide communication Facilitates a shared global corporate culture	a) May restrict access to information in other languages b) May restrict access to foreign markets c) May result in communication barriers between employees with limited proficiency in the common corporate language
Subsidiary Languages	Improves access to information in foreign languages Improves access to foreign markets	a) May result in communication problems between employees and expatriates b) Often does not facilitate development of a shared corporate culture c) High cost of expatriate training
Parent Company Language	Maintains strong corporate culture in the home country Facilitates top-down decision making	a) Limits communication with local management b) May increase cultural conflict in parent-subsidiary relations

Common Corporate Language

Whether a corporation has stayed within its national boundaries or decided to internationalize, there may be considerable pressures to “standardize” the usage of language within the organization. It must be noted here that “language standardization” is not used in the traditional sense of language policy and planning literature. Little occurs within business organizations with regard to modifications of the corpus of a language, although most organizations do develop unique terminology (jargon) that reflects the practices, values, and culture of their respective organizations. Language standardization in organizations refers to status planning and involves decisions as to what language is to be used in boardroom discussions, international communications, research reports, internal documents and memos, manuals, training programs, and daily operations.

The choice of promoting a particular language to the status of a common corporate language has many advantages from a management perspective, according to Marschan-Piekkari et al. (1999). A common corporate language standardizes conventions for reporting and sharing information between foreign units of the MNC, reduces the potential for miscommunication, and improves access to corporate documents. It also can improve informal communication between units. It is also useful for promoting a common set of corporate values and culture, developing "a sense of belonging to a global 'family'" (379).

Marschan-Piekkari et al. (1999) point out that, although there are many advantages to language standardization, "little is known about when the decision to introduce a company language is taken, or if it occurs formally at all" (379). The authors discuss the development of language policy in three European MNCs: Kone Elevators, Outokumpu, and Nestlé. A Finnish manager at Kone Elevators (a Finnish MNC) who was interviewed by the Marschan-Piekkari et al. claimed that the common corporate language (English) evolved as a practical solution to problems of global communications. Outokumpu's usage of English as a common corporate language evolved over a period of three decades, and was the result, as in the case of Kone Elevators, of an increased business network in foreign countries and rapid increases in its non-Finnish work force, mainly through its acquisition of foreign subsidiaries. Nestlé, on the other hand, recognizes more than one common corporate language, especially at the subsidiary level (Marschan-Piekkari et al. 1999: 380). Both French and English were reported by Lester (1994) to have been officially adopted by Nestlé as co-official languages.

A common corporate language in many ways is a resource, but it can also act as a linguistic barrier in the MNC. Charles and Marschan-Piekkari (2002) point out that the common corporate language is often no one's native language. In their study of Kone Elevators they noted that "a large proportion of English transactions take place between non-native speakers of English (NNS), with native speaker (NS) transactions clearly in the minority" (15). In cases where NNS communicate in the common corporate language, varying degrees of competence among the interactants may result in linguistic and cultural communicative difficulties. As one Finnish middle manager put it, "Everybody has language problems, not only the Finns. We all speak bad English" (Charles & Marschan-Piekkari 2002: 17). Beechler and Bird (1999) found that Japanese MNCs' usage of a common corporate language (again, English) in global operations did not remove serious language barriers between Japanese expatriates and local employees in subsidiaries. Japanese employees received focused linguistic training but almost no cultural training (114), and their knowledge of standard forms of English did not prepare them to communicate in colloquial varieties (118). They further found, as did Charles and Marschan-Piekkari (2002) that in subsidiaries where English was no one's native language, difficulties arose.

The need for a common corporate language has been frequently noted by managers as important to communication within the organization and across units of the organization. In an ethnographic study of language policy in Kone Elevators, Charles and Marschan-Piekkari (2002) found that the absence of a common language presented a language barrier that hindered communication between units located in different language regions. Even though English was officially the common corporate language, it was not spoken by many employees in the foreign subsidiaries. As a result, 57% of the employees interviewed in their study saw the lack of a common language as a problem.

Palo (1997), who studied the role of language in Finnish MNCs, found that in global communications using English as the common corporate language, NNSs preferred to communicate with other NNSs, rather than with NSs. Bartlett and Johnson (1998) offer the proposition that global business English is actually a form of pidgin which is easier for NNSs to understand than it is for NSs, who identify English more with their own culture and communicative strategies. Therefore, NNSs are less judgmental of other speakers. On the other hand, comprehension is often limited, especially in the reading of written documents, which are in formalized Standard English (Charles & Marschan-Piekkari 2002: 16).

Acceptance of Subsidiary Languages

Generally speaking, MNCs communicate with their foreign subsidiaries in multiple languages. Communication between expatriates and headquarters personnel occurs in the parent company language and the common corporate language. Communication between locally-hired managers and headquarters personnel often occurs in the common corporate language. Within the subsidiary, communication between managers and employees occurs in the local language, and communication between expatriates and locally-hired managers occurs in whichever language communicants are most comfortable with. However, for competitive advantage, the local language is crucial, especially for interacting with the local market. The subsidiary's use of the local language facilitates communication between the community and the subsidiary and between expatriates and local employees within the subsidiary. It is generally agreed that in order to do business in a foreign country, especially one which speaks a different language or language variety, knowledge of the foreign language and culture is critical for success. Ingram (1992) sums up the need for multilingualism as a resource in the following statement:

> Essentially, if we wish to sell to other people (whether it is products or ideas that we are selling), we must ensure that the export strategies adopted by the company or department are appropriate to the market to which they are directed, that the products match the needs and proclivities of the customers, that the negotiators understand the conventions of the other party—at least to the extent that they are able to carry on negotiations effectively and to our maximum advantage, that the negotiators are able to communicate with the other party—not just at a superficial level, but with full understanding of the implications of what they or their partners are saying, and that those charged with marketing the products are able to promote them in the most effective way to the potential customers (hence, in their own language, and recognizing what will be commercially most persuasive) (15).

The fact that many of our most cherished brands of goods come to us from foreign-owned MNCs indicates their success in operating in a multilingual environment.

Most MNCs utilize expatriate managers in foreign subsidiaries, where they share management duties with local employees who are intimately familiar with the language and culture in which the subsidiary operates. A small but growing body of research has focused on the potential benefits of cross-linguistic management teams at the subsidiary level. They have found that effective multilingual management is crucial to group cohesiveness and teamwork (DiStefano & Maznevski 2000, Goodall & Roberts 2003, Holden 2002, Schneider & Barsoux 1997). Goodall and Roberts (2003) found that making honest attempts to speak the language of others on one's team resulted in the development of trust between team members, thus improving the team's quality of work. Holden (2002) makes the argument that effective communication strategies among teammates resulted in "a permanent state of cultural recreation" (46). Henderson (2005) claims that this "cultural recreation" includes "'recreating' language and communication norms in the sense that individuals are negotiating and agreeing on shared meanings and discourse conventions as they switch from a monolingual to a multilingual context" (74). Such efforts, if made tolerantly and sincerely by members of a team, can result in trust and stability that enhances team creativity and performance through a unique, shared multicultural view.

Although the use of the local language in subsidiary contexts offers many advantages (Ingram 1992, 1996), Charles and Marschan-Piekkari (2002) found that serious communication barriers exist when no common language can be found for communication between the parent company

and the subsidiary. This is especially true in subsidiaries located in developing countries, since the use of English is far from widespread and the subsidiary language is often not sufficiently learned by expatriates before assignment to the subsidiary. In such cases, it may take years for expatriates to develop a level of fluency in the subsidiary language required to overcome communication barriers.

There continues to be much disagreement as to the necessity for expatriates to understand and use the local language of subsidiaries. Vihakara (2006) points out that one of the reasons for this is that language training is costly, and there is no guarantee that the language skills acquired will be useful in future global assignments. However, most companies do agree that competence in the subsidiary language is desirable (74).

Parent Company Language

In MNCs whose headquarters are based in countries where the language is not English, very often the language of the parent company differs from the language of global operations. The continued maintenance of the parent company language has many benefits for the employees of the parent organization, since it is the language with which they are most comfortable. It has been found to facilitate a strong corporate culture in the home country, but problems often arise regarding how that corporate culture is negotiated between the parent company and its various global subsidiaries (Beechler and Bird 1999).

There remains a gap in the literature on language policy regarding the benefits of an MNC's choice to maintain its parent company language after adopting a common corporate language. On the other hand, much has been written about language barriers in parent-subsidiary relations. Vihakara (2006) claims that the language barrier is highest in such relations. Charles and Piekkari (2002) note that in such cases, important miscommunications occur because expatriates and local employees must exchange information in a language of which neither has perfect grasp. Feely and Harzing (2004) present the language barrier in parent subsidiary relations succinctly:

> Companies for which language is a serious barrier will be unlikely to be able to globalize their bureaucratic formalized control systems. The language of the policies, procedures and systems developed in the parent language will be a serious impediment to their use in subsidiaries. If they remain untranslated, lack of understanding at subsidiary level will limit effective application of the detailed guidelines. On the other hand, translation of a detailed set of policies and procedures is a time intensive and costly affair, especially in MNCs operating in a multitude of languages and hence will be infeasible for most MNCs (11).

Feely and Harzing (2004) postulate that when the language barrier is high between parent and subsidiary, the MNC is less likely to control the subsidiary through means of socialization. This has been true of many American MNCs, who have often left foreign subsidiary management entirely in the hands of local managers (Garcia and Otheguy 1994). On the other hand, MNCs may also utilize a higher number of expatriates and expect them to develop skills in the subsidiary language and act as a communicative bridge (Feely & Harzing 2004; Marschan-Piekkari et al. 1999).

Finally, Bartlett and Johnson's (1998) research presents the possibility that the native-English of some parent companies may not even be the same language as the English of global operations. They argue that so-called "global English" may actually be a pidgin. This could constitute another language barrier—especially in communication between NSs and NNSs of English. Furthermore, numerous varieties of English differ greatly from British/American/Australian English. The expectation that English is English wherever one is in the world may result in serious miscommunications.

Language Policy and Power Implications

All language policy decisions carry with them power implications. Vaara, Tienari, Piekkari, and Säntti (2005) claim that "corporate language policies are easily seen as 'practical', 'inevitable' and even 'natural'. Whether we like it or not, they also involve power implications that are easily overlooked" (622). It is unfortunate, then, that corporate language policy makers often fail to consider how language policy decisions play into the power dynamics of their organizations. The result of seeing language simply as a means to an end is that the relationship between language and identity is often overlooked by policy makers. Fixman (1990) pointed out with regard to American business that most managers consider language as merely a tool to conduct business, less important than understanding culture. It is possible that the divorcement of language and culture that is common in some MNCs leads to failures to see the implications that language policy decisions have on the effectiveness of knowledge transfer within organizations and on the health of an organization's culture. Søderberg and Holden (2002) claim that "…the assumption that all inhabitants in a nation and all managers and employees in an organization carry the same cultural value orientation…tends to entail blindness as regards social variation, diversity, and power" (108). This section looks at the power implications of two types of language policy choices. The first is with regards to the choice of a common corporate language in a cross-border merger. The second is with regards to English-only policies in companies with a culturally and linguistically heterogeneous workforce.

Companies may be forced to make language policy decisions as a

result of cross-border mergers. When companies with two different language policies merge to form one company, the choice is often to adopt one language for the merged organization. Two cultures come into contact in ways similar to "colonizing and colonized cultures" (Vaara et al. 2005: 599), and the intention for them to 'integrate' quickly with few problems is simply not realistic. Piekkari et al. (2005), citing Hogan and Overmyer-Day (1994), point out that a "merger" of two organizations is sold to the employees and the public as a "marriage of equals," but that such a case is, in fact, extremely rare. Rarely are the two organizations equal in the sense of co-management and co-dominance. When a merger includes organizations from two different countries and which operate in two different languages and cultures, the problem of integration becomes even more complex.

The Merger of a Swedish and a Finnish bank

Vaara et al. (2005) report on one cross-border merger and its implications for language policy. In their ethnographic study of the merger between Finnish Merita Bank and Swedish Nordbanken, Vaara et al. look at the role of circuits of power in the formation of language policy in the post-merger organization. The term was adapted from Clegg (1989), who studied social interactions and how they contributed to empowerment and disempowerment in interactions. Vaara et al.'s (2005) framework considered three concepts of power and their power implications in MeritaNordbanken (MNB), the post-merger organization. The three concepts of power identified were episodic power (in social interactions), power in the construction of identity/subjectivity, and hierarchical power. Episodic power, according to Vaara et al. (2005) has implications in three areas. First, language skills became resources that either empowered or disempowered individuals in daily interactions. Second, language skills also became associated with professional competence in post-merger individuals. Third, social networks changed in ways that favored individuals with language skills that were more highly valued in MNB. Language's role in the construction of identity/subjectivity in MNB had power implications in the following two ways: through the necessary reconstruction of international categories and confrontations and through the construction of post-colonial, superiority/inferiority relationships. Language's role in construction of hierarchical power in MNB was seen in terms of a recreation of postcolonial hegemonic power structures, as well as in terms of neo-colonial MNC organizational structures (601).

The Finnish Merita Bank emerged in 1995 as the result of a merger between the two largest Finnish banks. However, the corporate cultures of the two banks (Union Bank of Finland and Kansallis Bank) were distinct, particularly in their language policies. While Kansallis Bank's corporate language was Finnish, Union Bank of Finland saw itself as a bilingual bank, valuing both Finnish and Swedish. The resulting Merita Bank, which valued both languages especially in top management, resulted in some disempowerment of employees who had originally belonged to Kansallis Bank. Two years later, the announcement of a merger between Merita Bank and Nordbanken was made. The resulting bank (MNB) would be "a basis for further geographical expansion in the Nordic and Baltic regions" (Vaara et al. 2005: 606), according to the banks' leaders.

Vaara et al.'s (2005) case study centered on the power implications of the choice of a common corporate language for the post-merger organization. In order to understand how language policy decisions made by the top management of Nordbanken and Merita Bank affected the identity of employees, the authors first looked at the historical relationship of Sweden and Finland and its continued influence on national identity and language policy. Finland had been under the dominion of Sweden for the greater part of the last millennium (1323-1809). After Finland became independent of the Kingdom of Sweden, it crafted its legal and political system after Sweden's. Due to the long influence of the Swedish language on Finland, as well as the sizeable Swedish minority population (6%), Swedish stands as a co-official language with Finnish, and all schoolchildren in Finland have some training in the Swedish language. On the other hand, despite pressure from the Finnish minority residing in Sweden, the Swedish government has refused to recognize Finnish as an official minority language in their country (Vaara et al.: 606).

Vaara et al. (2005) point out in their case study that the choice of Swedish as a common corporate language, according to managers interviewed for the study, was seen as of minor importance and made for purely pragmatic, economic reasons. For instance, in the bilingual Merita Bank, many documents were already in both Finnish and Swedish, while in Nordbanken all the documents were in Swedish. By choosing Swedish as the common corporate language, they believed money and time could be saved during the process of integration. Furthermore, many of the top management of Merita already had some proficiency in Swedish, while the top management of Nordbanken was unable to communicate in Finnish (612). Therefore, it was the recommendation of the Finnish CEO of Merita Bank (who was formerly of the bilingual Union Bank of Finland) that Swedish be the common corporate language of MNB (607). Thus, Finns who had been disempowered after the merger between Union Bank of Finland and Kansallis Bank became further disempowered by the new language policy of MNB. As a result of the policy, many Finns developed 'resistance' and 'coping' strategies, such as using Finnish as a 'secret language' in boardroom discussions, using English, rather than Swedish in internal communications, transferring to regional branch offices, or leaving the company (620). Vaara et al. also point out, however, that the Swedish top management were forced into and trapped

by the role of 'colonizer' "ascribed to them by the Finns" (620).

The leaders of Merita Bank and Nordbanken were considering the choice of a common corporate language in terms of cost and benefit (Pool 1991). Their pragmatic reasons for their choice indicated that they recognized Swedish had greater economic value and less cognitive cost to the post-merger organization than did Finnish. However, as Vaara et al.'s (2005) study shows, economic and cognitive factors are not the only important factors in the choice of a language policy. Identity plays a major role as well.

The Finnish newspaper, *Kauppalehti*, wrote several articles about the power imbalance within the new organization as a result of its new language policy. In an interview defending the policies of the bank, the CEO of the post-merger MNB claimed that, although the language policy favored Swedish as the common corporate language, MNB was "a completely bilingual bank" and that "creating a joint corporate culture is extremely important" to integration ("Interview with Hans Dolberg," 1997). The top management failed to see the Finnish employees' need to reconstruct their identity in MNB as a cost to factor into their analysis when choosing a language policy:

> Such comments [as the ones made in the newspaper interview] can be interpreted to have taken part in triggering unintentional consequences: the fragile 'Finnish' identity vis-à-vis the Swedish was threatened and provoked. In general, it seems that a large number of employees on the Finnish side of MeritaNordbanken interpreted the language policy as a sign of Swedish dominance. Such a choice of corporate language was considered a clear message from top management regarding the division of power (Vaara et al. 2005: 612).

One reason that the choice of Swedish was seen by many Finnish employees as a statement of power and domination was that another much more egalitarian language policy choice was available. English was seen by Finnish employees as a power-neutral language, which would put both Swedish and Finnish employees on equal footing (Vaara et al. 2005: 617). Furthermore, since English was already an international banking and accounting language, there were clear benefits of choosing it as the official language of the new, international MNB. In fact, when MNB underwent another merger in 2000, this time with the Danish financial company Unidanmark, the choice of official language became English. The choice of English restored some of the power imbalance between the Swedish and Finnish employees, as well as averted language-related power imbalance with the Danish company. However, Vaara et al. (2005) caution that "it would be a mistake to think that the choice of English would be unproblematic or neutral in terms of its power implications" (618), since it was a foreign language to "virtually" everyone in top management of the organization, and it opened up implications for Anglo-American cultural dominance.

Marschan-Piekkari et al. (1999), in summarizing the power implications in the choice of a common corporate language in MNCs, look at the resulting career options of new and existing employees in subsidiaries. Those with some degree of competence in the common corporate language often have available to them increased opportunities for training and are more likely to receive international assignments. Such international assignments are necessary for career advancement in most MNCs. Employees without competence in the common corporate language must find a way to develop their language skills, often without the assistance of the organization for which they work. If they do, they may be offered additional training. However, if they do not acquire the common corporate language, employees are destined to stay local and have little opportunity for career development (384).

English-Only Policies

In linguistically heterogeneous workplaces, the adoption of a common corporate language may sometimes be used by management to control employees' language behavior. Roffer and Sanservino (2000) report on an English-only policy implemented by Air France. The policy stated that its pilots were to conduct all communications in English with air traffic controllers at Charles de Gaulle Airport in Paris. The reason for this policy, according to the company, was to facilitate communication between its pilots, who speak a variety of languages, and air traffic controllers. However, this reason was in doubt, since many pilots and air traffic controllers had limited fluency in English. The policy met with widespread disapproval inside and outside the company. It was ultimately rescinded after fifteen days due to protests by pilots and air traffic controllers.

The choice of a common corporate language does not necessarily mean choosing a monolingual language policy. In fact, companies who do adopt such an approach may encounter legal and social problems if employees are required to speak the language at places and times when there is no legitimate business reason for doing so. Many employers choose a monolingual language policy for their organizations in the belief that such a policy will benefit the functioning of the organization. Roffer and Sanservino (2000), in a report on the legality of monolingual English-only policies in the United States, indicate that the most often stated reasons for adopting such a policy are to reduce ethnic tension, develop employees' proficiency in the corporate language, increase supervisor effectiveness, improve workplace safety, and improve efficiency. The most controversial of the stated reasons is with regard to reducing ethnic tensions. A monolingual language policy may actually create workplace divisiveness. In his work on code switching, Gumperz (1972) showed

that among individuals who share a native language and a second language the use of the native language enhances solidarity. Speicher (2002) concludes that many corporate monolingual advocates confuse the unity of a workforce with uniformity of language and points out that "to create a unified workforce or nation does not require speaking only one language at all times" (622).

In the United States, both the federal courts and the Equal Employment Opportunity Commission (EEOC) regulate language discrimination in the workforce. Under EEOC guidelines, an employee must only prove that an English-only policy exists to bring suit against his or her employer. An English-only policy may be considered discriminatory if it is in effect in non-working areas and at non-working times if there is no legitimate business reason for having such a policy in effect. However, Roffer and Sanservio (2000) point out that since EEOC guidelines place a heavy burden of proof on the employer (who is defendant in such suits), the guidelines are often not used by the federal courts.

A strict monolingual policy is not necessary for the creation of a unified workforce, according to Judd (1987) and Speicher (2002). Focus should be placed on "the same respect and openness to language usage that it dictates regarding race, gender, religion and national origin" (Speicher 2002: 622). It is ironic that many employees who eventually become sanctioned for violating English-only policies were originally hired for their bilingual skills. Barker et al. (2001) find this fact not only hypocritical but also reinforcing of presumed privilege among monolingual speakers of English.

Language Planning Implications for Human Resources Management

This section provides several "best practices" with regard to language planning within multinational organizations. The practices offered here cover global issues such as choosing and implementing a common corporate language and the valuation of multiple languages, as well as issues regarding how linguistic resources might be managed within the organization and who might be best equipped to manage those resources.

Language Standardization

When companies internationalize, they invariably become more complex with regard to the mix of languages and cultures embodied in their personnel. Marcshan-Piekkari et al. (1999) recommend that MNCs recognize that language standardization cannot solve all the communication problems it will encounter in a multilingual environment (384). In fact, it may add to communication problems in various ways, not the least of which is the (re)distribution of power, as Vaara et al. (2005) show in their case study of MeritaNordbanken. When adopting a language policy, MNCs should realize that any official choice of language carries with it power implications. Failing to take such factors into consideration may result in disenfranchisement of personnel and loss of valuable talent.

Charles and Marschan-Piekkari (2002) recommend staff training in the negotiation and understanding of various varieties of English they may encounter in subsidiaries around the globe. They state: "It is not enough to learn to understand British/American/native speaker English. MNC staff should be exposed to different 'world Englishes'" (24). They further recommend that MNCs tap into their linguistic resources by utilizing speakers of varieties of English from throughout the organization in training programs. Native speakers of English, Charles and Marschan-Piekkari point out, should be included in language training programs designed to enhance understanding and respect of worldwide varieties of English (25).

For companies operating with linguistically heterogeneous employee populations, Speicher (2002) advocates avoiding implementing strict monolingual policies. Although many companies believe English-only policies help employees to develop language skills, they are often implemented as the result of monolingual employee suspicion of speakers' motives when they are engaged in conversation in an unfamiliar language. Rather than punish employees who speak in an unofficial language, the company should include sociolinguistic awareness in its diversity training programs. Employees can be made aware of "the connection between language and identity, and how unnatural speaking to a compatriot in a foreign language feels…" (623).

Valuation of Multiple Languages

Dhir and Góké-Paríolá (2002) suggest that MNCs must always "think global, act local." This includes being aware that multiple languages are important to the organization for different reasons. They further state: "The adoption of a language policy that would specify what language would be used in what context within a corporation may provide greater strategic advantage" (249). This is especially true in the context of subsidiary operations. U.S., Britain, and Australia-based organizations are particularly in danger of undervaluing foreign languages due to the fact that the English language has become a world standard in business communication. However, in many countries, especially developing countries, the majority of employees have either limited or no proficiency in English. The belief that one can do business in such contexts without valuing the foreign language is ethnocentric at best. Researchers in corporate language policy continue to point out the competitive advantage that comes with respect of the language and culture of foreign markets (Ingram 1992, 1996; Garcia & Otheguy 1994; Dhir & Góké-Paríolá 2002). Part of this respect comes from attempting to manufacture products that meet local needs and values. But part of this respect comes from making honest attempts to understand the language and culture of employees and customers in those markets. If national education language policies do not encourage foreign language education, companies may find that it is difficult to hire employees with the requisite language skills for global management roles. Therefore, foreign language training within the MNC or a tuition reimbursement program should be available to all employees with management potential.

The use of expatriate managers in global assignments has traditionally been the multinational organization's approach to learning about foreign cultures in order to increase strategic decision-making capabilities during the process of internationalization. However, expatriation is increasingly being used to develop a core of employees who have the capabilities to work globally in multiple cultures. This requires sensitivity and responsiveness to multiple cultures and an understanding of the relationship between cultures and their languages. However, while expatriate managers often have access to training in the language of the foreign subsidiary, local employees and managers who work with the expatriates often do not have access to the same resources to learn either the common corporate language or the parent company language. Consideration of local employees' interest in developing linguistic skills for the benefit of the organization should also be part of a language policy that values multiple languages. Such a consideration would also enhance the performance of multicultural teams. As it stands, many multicultural teams perform poorly due to the lack of valuation of the languages and cultures of others on the team.

Identification of Linguistic Resources Present in the Organization

MNCs can conduct a "linguistic audit" of their resources, according to Charles and Marschan-Piekkari (2002). "The purpose of a linguistic audit is to make a company aware of potential problem spots in communication and language use…An audit will identify the languages that are—or would be—useful for [interunit] communication…" (23). Reeves and Wright (1996) and Pilbeam (1998) provide companies with further resources regarding the specifics on how to perform a linguistic audit.

Expatriates who develop language skills may play important roles in the organization after repatriation (Feely & Harzing 2004; Marschan-Piekkari et al. 1999). As more employees receive international training, the linguistic resources of an MNC increase dramatically, but many companies fail to keep track of those resources. Repatriates (i.e., expatriates who have returned to the parent organization) may operate (formally or informally through social networks) as language "nodes" who greatly facilitate the transfer of information between units in the organization by becoming "the interface, through language, between headquarters and the local subsidiary, and also between subsidiaries" (Marschan-Piekkari et al. 1999: 386).

"Language Officer"

Marschan-Piekkari et al. (1999) offer the novel recommendation that MNCs create an international human resources management position of language officer. The duties of a person in this position would be to "coordinate and develop language policies; oversee their implementation; and assist in the auditing of current and future language needs" (389). A language officer would also be involved in allocating resources for the acquisition of language in training programs, assigning personnel to global roles, and the appropriation of language skills through recruitment. The language officer would also keep track of repatriated employees and utilize their foreign language skills both formally and informally through mapping out and disseminating knowledge of speech networks within the organization. Marschan-Piekkari et al. believe that by creating a language officer position, MNCs would be showing an awareness of and commitment to the value of linguistic knowledge within the organization.

Language Management

Bernard Spolsky (2004, 2006) defines language policy as consisting of language practices, language beliefs, and language management. Language management, which may also be conceptualized as language planning, is composed of management of language settings, language cultivation, and language education (Spolsky 2004, 2006). While the review of literature has shown the influences of language practices and language beliefs on the culture and operations of global organizations, the best practices following the literature review above is a move toward addressing issues of language management. What may be concluded from the suggested best practices is that language management is, in fact, a subcategory of knowledge management. In recent decades, corporations have increasingly recognized the importance of knowledge management for gaining and maintaining competitive advantage in business. However, many international and internationalizing organizations have thus far approached language planning on a "fly by the seat of the pants" ad hoc basis, implementing solutions to communication barriers as they arise in day-to-day practice. What is proposed here is a solid conceptual approach to language management as an integral part of organizations' knowledge management strategies.

The offered list of best practices is a good start to such a language management strategy, but the identified practices are mainly limited to the management of linguistic resources within the organization. The model of language management offered by Spolsky (2004, 2006) suggests that a language manager must look beyond simply the management of linguistic resources. Language settings and functions are important considerations as well since "language and language policy both exist

in…highly complex, interacting and dynamic contexts" that include extra-linguistic political, demographic, social, psychological, and bureaucratic factors, to name a few (Spolsky 2004: 6).

The tables at the beginning of this paper offered a rudimentary description of the language settings and functions within a global organization. However, the descriptions offered are not necessarily how all organizations should or do operate. Nor does it present a comprehensive description of all relevant factors. For instance, with regard to functions, questions remain as to whether it is better for standard operational and management procedures to be translated from one language into the other languages of the organization or whether it makes more sense that such procedures be written individually into each of the organization's operating languages. With regard to corporate culture, research could be done as to how to create a common corporate culture that transcends linguistic and cultural differences. Questions as to what should be included in such a culture and how regional differences should be treated remain.

Another question that has relevance for human resources management, knowledge management, and language management is with regard to what the best ratio of expatriates to local personnel should be and whether expatriation should be bidirectional. With regard to knowledge flows, in what language or languages knowledge should be transferred between units and whether the same knowledge should be transferred in more than one language also needs to be answered. Due to the complexity of such questions, it is argued here that more ethnographic research should be done within multinational organizations. However, in order for such research to be done effectively, a constructive dialogue must be established to build trust between the corporate and academic worlds.

Language management is also concerned with issues surrounding cultivation of language. Each organization constitutes a unique sociolinguistic setting and a unique language community. Multiple cultures and languages are represented within a global network of units within an MNC, but there is also a common language and a common terminology unique to that organization and identifies it as a single sociolinguistic entity. Therefore, it seems beneficial to address whether and to what degree the corpus of an organization's unique language can be developed in order to enhance and maintain its corporate culture, as well as to how that language should best be transferred from one generation of employees to the next. Furthermore, does the development of a common linguistic culture facilitate knowledge transfer even when it must operate in multiple written and spoken languages? More research needs to be done with regard to these questions. This author suggests that organizations would benefit from actively being involved in such research; there is also the possibility for organizations and academics to develop mutually beneficial relationships by co-conducting research into issues of language management.

Finally, with regard to language education, human resources management is responsible for determining who receives resources for language training. How those resources are allocated is largely a factor of what power dynamics are at play within an organization. Human resources management could do more to create a policy that reinforces language management rather than the power differential within the organization.

With regard to language training, it is important for an organization to determine what methods work best to create the proper balance of employees who speak the operating languages and how those employees are distributed within the organization. In particular, language training offers opportunities for companies (who are usually not in the business of second language teaching) to develop partnerships with institutions of higher education. In order for such partnerships to develop, however, close cooperation between higher education and business will require each to pay close attention to the pragmatic needs of the other. As Ingram (1992, 1996), Fixman (1990), and others have so often pointed out, language training programs as they are traditionally run in higher education have rarely emphasized the pragmatic language skills that are most beneficial to a business environment. Furthermore, due to the unique character of each MNC, language training partnerships might be developed that directly address issues surrounding socialization into the particular linguistic culture of the target company. In other words, partnerships between universities and MNCs could be tailored to the particular language training strengths of the university and the particular needs of the business organization.

In short, a great deal more could be done to support an active policy of language management. Inasmuch as language management is a form of knowledge management, language management offers opportunities for the MNC to engage in a practice that enhances its competitive advantage.

Conclusion

Knowledge, knowledge management, and knowledge transfer are considered key elements in creating competitive advantage for multinational corporations. For this reason, how knowledge enters an organization and transforms it have been central concerns in theories of organizational learning. Of particular interest in recent studies on knowledge transfer in MNCs has been the role of expatriate managers, through whom parent companies attempt to capture subsidiary knowledge (Andersson, Björkman, & Forsgren 2005; Björkman, Fey, & Park 2003; Foss & Pedersen 2002; Minbaeva, Pedersen, Søderberg & Holden 2002). Much of the research has noted that knowledge transfer between a subsidiary located in a foreign country and its corporate headquarters is often complicated by structural and social barriers that tend to limit the effectiveness of foreign subsidiary knowledge contributions. For these and other reasons, expatriates are often used to represent corporate culture in the foreign subsidiary and to facilitate knowledge transfer between the two organizations. This has led to the complex multilingual societies encountered in virtually all multinational organizations.

Frequently, knowledge managed and transferred in the common corporate language is unrelated to the knowledge managed and transferred in one of the other operating languages of the organization—for instance, in the parent company language or one of the global subsidiary languages. This results in different types of knowledge encoded in different languages. Assuming the inseparability of language and culture, a separation of knowledge along lines of different languages will likely result in knowledge “gaps” that result in poor decision-making. Strategic decision-making effectiveness can be increased not only through the gathering and transfer of knowledge in all the relevant languages but also in the overlapping of knowledge in the different languages. To provide an example, the reports that are prepared by expatriate managers in the parent company language might deliberately cover the same knowledge as the reports prepared in the common corporate language and prepared by local managers. In this way, the parent company decision-makers are able to see different angles of the same knowledge, rather than two or more, perhaps incompatible, pieces of knowledge.

In an age of increasing internationalization, languages and cultures are coming in greater contact with each other than at any other time. At the forefront of internationalization are MNCs, who operate in linguistically diverse environments and are themselves linguistically diverse networks of communities. The need to communicate effectively in such environments requires some degree of linguistic commonality, which has given rise to English as a global language of business communication. However, as important as English is for global communications, it is insufficient for the many communication needs at the local level. Lambert (1990) and Phillipson (2001) both indicate that MNCs have continued to fail to recognize the value of languages other than English and, as a result, perpetuate a corporate culture that disregards the linguistic diversity to be found throughout the planet. On the other hand, the recent volume of research published in international human resources journals indicates that corporate interest in the economic value of linguistic diversity is increasing. Along with such interest comes the need to develop creative and enlightened language planning to improve both the quality and value of intercultural communication. To facilitate the creation and implementation of effective corporate language planning, it has been suggested in this paper that both MNCs and higher education could benefit from partnerships both in research and in language training.

This paper has presented the linguistic needs of international business and described the unique, linguistically diverse environment in which multinational corporations operate. This paper has also reported on some unique and creative language planning ideas to confront those problems. It has also provided a link between language management and knowledge management and made recommendations for future areas of research. A great deal more research in the young field of corporate language policy and planning is needed. In particular, ethnographic studies conducted within organizations are needed since they offer the best opportunity to provide clear insights into actual human interaction within these rich, linguistically diverse environments.

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