ENGLISH COMMUNICATION SKILLS FOR THE MODERN ECONOMY: THE VALUE OF QUALITY DATA TO SUPPORT TALENT DECISIONS
ABOUT DYNATA®

With a reach that encompasses 60+ million consumers and business professionals globally, and an extensive library of individual profile attributes collected through surveys, Dynata is the cornerstone for precise, trustworthy, quality data. The company has built innovative data services and solutions around its robust first-party data offering.

Dynata serves nearly 6,000 market research, media and advertising agencies, publishers, consulting and investment firms, and corporate customers in North America, South America, Europe and Asia-Pacific.
ABOUT ETS

ETS serves individuals, educational institutions and government agencies by providing customized solutions based on rigorous research for teacher certification, English-language learning, and elementary, secondary and postsecondary education, and by conducting education research, analysis and policy studies. Founded as a nonprofit in 1947, ETS develops, administers and scores more than 50 million tests annually — including the TOEFL® and TOEIC® tests, the GRE® tests and The Praxis Series® assessments — in more than 180 countries at over 9,000 locations worldwide.

ABOUT THE TOEIC® PROGRAM

For more than 40 years as an industry leader, the TOEIC program has set the global standard for assessing English-language communication skills needed in the workplace and everyday life. The TOEIC assessments, including the TOEIC® Listening and Reading test, the TOEIC® Speaking and Writing tests and the TOEIC Bridge® tests, are the most widely used around the world with 14,000+ organizations across more than 160 countries trusting TOEIC scores to inform the decisions that matter.

ABOUT THIS STUDY

In today’s global economy, an English-proficient workforce can provide organizations with a competitive advantage, unlocking opportunities with new partners and markets. To better understand how companies around the world are ensuring their staff have the English skills needed for success, ETS and Dynata surveyed 832 human resources professionals from multinational corporations in 13 countries: Brazil, China, Colombia, France, India, Indonesia, Japan, Mexico, Philippines, South Korea, Taiwan, Thailand, and Vietnam.
The modern world is more connected than ever. The widespread availability of technology makes communication across borders and territories easy. And as international communication has become standard, a common mode of communication has gained prominence: English has become the ‘language of business.’

Studies suggest that there are around 360 million native English speakers globally, but it’s estimated that 1.5 billion people around the world speak English.

With the use of the English language so widespread across the global population, forward-thinking corporations must develop a culture of English proficiency within their organization. In this environment, it’s clear that businesses that fail to prepare to capitalize on these new global opportunities are preparing to fail.

In 2015, we commissioned research carried out by Ipsos Public Affairs to discover multinational organizations’ attitude towards English proficiency and its impact on global business expansion. By surveying human resources (HR) professionals from these corporations, the report revealed that 87% of global human resources professionals considered English-language proficiency among employees to be important. The study also found that only 65% felt the English-language proficiency of their employees was adequate and the same percentage of respondents provided employees with formal English-language training.

Our new study reveals that in the intervening years, all of these statistics have continued to increase, suggesting that business leaders around the world agree the role of English proficiency is rising.
360 million native English speakers globally, but it’s estimated that 1.5 billion people around the world speak English.
THE CURRENT LANDSCAPE

Today, our study reveals that 96% of HR leaders now consider English skills among employees to be important, an increase of 9% compared to the results from our prior study conducted in 2015. With English-language proficiency clearly established as a necessity for corporations, it is unsurprising that the vast majority of HR professionals consider English-language skills to be a priority for their organization.

How important are English-language skills to your organization?

Why do HR leaders feel that English proficiency has grown in importance

Our study also revealed that 85% of HR leaders felt the importance of English-language proficiency to their business had increased over the past five years.

A variety of reasons were given to explain the growing importance of English proficiency to their organization.

12% of businesses have a more international workforce or a workforce made up of a wider range of nationalities.

18% of businesses attributed it to their organization exploring a wider range of international opportunities.

22% said they see the value of English proficiency on their success as a company.
In an age of business without borders, corporations need employees who can communicate in ‘the language of business.’ But what are the benefits of having a workforce with strong English-language communicators?

Alongside factors such as enhancing an organization’s reputation, helping improve customer service levels and enabling businesses to build stronger relationships with clients, most respondents cited reasons relating to an increased need to nurture global relationships.

66% of organizations said an English-proficient workforce helps their company communicate more effectively with clients and partners overseas.

58% said it helps them communicate with their company offices around the world.

Most significantly, 37% of HR leaders said the key reason that English proficiency has become more important to their business in recent years is the increasingly globalized nature of the economy.
There are several costs to businesses who fail to measure and build English skills. As well as potentially increasing training costs, a lack of English proficiency can increase the likelihood of miscommunication and error on vital projects, resulting in reputational damage and even lost business.

On the other hand, encouraging and developing English-language proficiency opens up a world of commercial possibilities. With a skilled workforce able to communicate with international colleagues, customers and prospects, the probability increases that staff will work more effectively and ultimately empower their business to make the most of globalization.

In modern business, successful organizations leverage the power of data to inform vital decisions in many areas of their operations. The same principle applies when it comes to ensuring that staff have the English communication skills necessary to be successful in their positions. HR professionals need trustworthy data to enhance talent management decisions. And English-proficiency assessment that provides accurate, reliable scores is the ideal measurement tool to deliver that data.

The advantages that a workforce with English communication skills brings corporations are clear, but what benefits do leading employers want from their English-language assessment program?

92% agree that both their need for English-proficient employees and the level of proficiency they expect is growing.

94% of respondents agree that English-language skills play a vital role in their ability to secure new business opportunities and compete in the modern global economy.
In any business, employers need to be sure they are recruiting the right people with the right skills. And when they have a large number of applicants for a particular role, this can be a time-consuming and expensive process. Employers want to streamline how they identify prospective talent to make it more efficient and cost-effective, and the majority of survey respondents believe English-language assessment should play its role in helping them achieve this goal.

**77%** of HR leaders believe it’s important that English-language testing provides a cost-effective way to screen a large volume of candidates.

As well as making recruitment processes more streamlined, HR professionals want English-language assessment to make recruitment more effective too. When employers come to choose new talent to join their organization, they can’t afford to get it wrong — especially because a bad hire can have unforeseen consequences in other areas of their business, including lowering productivity, reducing morale and even increasing staff turnover.

**72%** of respondents said it’s important that English-language assessments help their business avoid recruitment mistakes that lead to additional costs further down the line.

**AND AMONG CORPORATIONS THAT IMPLEMENT ENGLISH ASSESSMENT, OUR FINDINGS SHOW:**

**78%** want assessments that help them screen large volumes of candidates in a cost-effective way.

A test developed by an independent party is consistently the most popular means for assessing the four communication skills — listening, reading, speaking and writing.

**Organizations need to be sure new hires possess the level of English communication skills the role requires — and they need to be confident in the results they receive from the assessment. The TOEIC assessments provide fair and objective information about test takers’ English proficiency, so organizations can recruit with confidence.**
Employers feel English-proficiency assessment should support their organization when developing existing talent too. It’s vital to be able to prove return on investment on any program or initiative, and English-language training is no different.

75% of HR leaders feel it’s important that English-proficiency assessment provides evidence to demonstrate the effectiveness of their training programs.

Leading businesses know that building an English-proficient workforce is key to capitalizing on the potential of the global economy. But do they recognize the importance of effective English-language training in helping them achieve this goal?

77% of companies surveyed offer their employees English-language training, making the answer a resounding ‘yes.’ This figure represents a 12% increase over our 2015 study, showing that this trend is on the rise.

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<th>2015</th>
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<tr>
<td>England</td>
<td>65%</td>
<td>77%</td>
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What’s more, it appears that corporations are reaping the rewards of adopting this approach. In 2015, 65% of respondents said their employees’ English-language proficiency was adequate. In 2019, this figure has risen to 72%.

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<th></th>
<th>2015</th>
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<tr>
<td>England</td>
<td>65%</td>
<td>72%</td>
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And 32% of HR decision makers feel that assessing English-language proficiency has had a positive impact on productivity and efficiency, due to improved communication.

There are several different ways for employers to assess the English-language proficiency of their staff. Alongside internally and independently-developed tests, some organizations use a range of non-standardized approaches — such as personal observation, assessment from coworkers and interviews — to evaluate their staff at the different stages of their training program.
BUT WHICH ASSESSMENT APPROACH IS MOST WIDELY-USED AMONG HR PROFESSIONALS?

Our findings show that corporations select independently-developed, standardized assessment more frequently than any other evaluation method for almost all of their different needs.

WHAT ARE LEADING CORPORATIONS LOOKING FOR IN ENGLISH-LANGUAGE ASSESSMENT?

- **79%** of respondents want an internationally recognized test score.
- **51%** want assessment that’s standardized for consistency, reliability and fairness.
- **60%** want an accurate assessment of language relevant to their organization’s needs.
- **47%** look for up-to-date questions that reflect real-life workplace scenarios.

The TOEIC assessments are the most widely used around the world, with 14,000+ organizations across more than 160 countries trusting TOEIC scores to inform the decisions that matter. TOEIC test questions are based on real-world workplace and everyday-life scenarios, to provide an accurate measure of an individual’s English communication skills.
A COMPREHENSIVE MEASURE OF COMMUNICATION SKILLS

While evaluating all four skills is a priority for organizations, our findings reveal that speaking and listening are the English communication areas that businesses value most highly. 69% of all respondents consider English speaking skills to be very important to their organization, followed by listening skills at 63%. Though writing and reading are viewed as less of a priority, they still scored highly, with over half (53% and 52% respectively) considering them to be highly important to their organization.

When it comes to evaluating English proficiency, research has shown that assessing all four communication skills produces the most precise measure of a test taker’s English-language ability. Generally speaking, the majority of corporations are doing this, with 59% assessing all four communication skills.

In terms of the individual communication skills being assessed, our findings reveal that 84% of corporations test speaking, 84% test listening, 78% test reading and 80% test writing.

How important are each of the four English communication skills — Writing, Speaking, Reading, Listening — to your organization? Please rate on a scale of 1 to 5 where 1 = Very important and 5 = not at all important

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<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
<tr>
<td>Speaking</td>
<td>69%</td>
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<td>2%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Writing</td>
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<td>13%</td>
<td>4%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Listening</td>
<td>63%</td>
<td>23%</td>
<td>8%</td>
<td>3%</td>
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<tr>
<td>Reading</td>
<td>52%</td>
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<td>12%</td>
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Research shows that assessing language proficiency across all four communication skills provides the most accurate measure of a test taker’s English proficiency. The TOEIC program offers a comprehensive suite of assessments that measures all four communication skills across a range of proficiency levels.

Which of the four skills do you currently assess?

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<td>SPEAKING</td>
<td>84%</td>
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<td>LISTENING</td>
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<td>READING</td>
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In assessing writing, internal and independent programs are both used equally. However, more organizations tend to assess both reading and listening proficiency with independently-developed assessment. And when it comes to assessing speaking skills, there’s a huge swing in favor of independent assessment, with 32% choosing to evaluate in this way compared to just 20% that use internally-developed tests.
Among the majority of respondents, we have observed the trend that oral communication skills are the most highly prized by modern corporations. These findings suggest that when assessing the most valued skill, more businesses trust independent assessment. But what is it about independent assessment that leads corporations to favor them?

### HOW DO YOU ASSESS THE FOUR COMMUNICATION SKILLS?

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<th>A test developed by an independent party</th>
<th>A test developed internally</th>
<th>Personal observation</th>
<th>Assessments from coworkers</th>
<th>Interview, interaction with the individual</th>
<th>English writing samples</th>
<th>Prior position held / background</th>
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<tbody>
<tr>
<td>Writing</td>
<td>32%</td>
<td>32%</td>
<td>11%</td>
<td>4%</td>
<td>6%</td>
<td>11%</td>
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<tr>
<td>Speaking</td>
<td>32%</td>
<td>20%</td>
<td>12%</td>
<td>5%</td>
<td>27%</td>
<td>1%</td>
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</tr>
<tr>
<td>Reading</td>
<td>32%</td>
<td>27%</td>
<td>17%</td>
<td>7%</td>
<td>9%</td>
<td>5%</td>
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<tr>
<td>Listening</td>
<td>30%</td>
<td>24%</td>
<td>15%</td>
<td>7%</td>
<td>21%</td>
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88% of respondents agree that technology has changed how their colleagues communicate. Video conferencing is increasingly used to speak with international partners, colleagues and stakeholders in other countries. It’s a powerful and effective tool that can boost collaboration and increase alignment across businesses, but to take advantage of it means employees need strong verbal English proficiency.

This is backed up by changing attitudes to the importance of the individual skills. While the general consensus is that proficiency across all communication skills has increased, 92% of HR leaders surveyed consider speaking to have grown in importance. And 19% think that reading’s importance has declined.

Among the majority of respondents, we have observed the trend that oral communication skills are the most highly prized by modern corporations. These findings suggest that when assessing the most valued skill, more businesses trust independent assessment. But what is it about independent assessment that leads corporations to favor them?
When it comes to English-language assessment, independently-developed, standardized testing delivers the accurate, objective and unbiased data HR managers need to inform the talent management decisions that matter.

Though internal testing can be viewed as an inexpensive alternative to independent assessment, if the information yielded leads to a bad hire, then the extra costs for an organization can be high. Independent assessment should be viewed as an investment that provides long-term value and sustainable cost savings. It can form a vital part of an organization’s recruitment process, enabling them to identify the candidates they want to hire and helping them build a diverse talent pool that’s equipped to overcome the challenges that the global economy may bring.

When we asked leading HR managers what they considered to be the benefits of independent assessment, there were three standouts.

- **30%** of HR leaders say independent assessments are more convenient than other testing methods and help to reduce their workload.
- **32%** of respondents favor test scores that are widely recognized, standardized and comparable across administrations.
- **23%** of respondents value the more accurate data that independent testing provides to help inform placement and promotion decisions.

When it comes to English-language assessment, independently-developed, standardized testing delivers the accurate, objective and unbiased data HR managers need to inform the talent management decisions that matter.
It’s clear that the vast majority of HR professionals agree that English-language communication skills are more important today than they were five years ago. And further, a significant number are taking active steps to improve their evaluation practices, investing time and resources to review how they measure English communication skills to ensure their organization continues to get value from their assessment program.

85% of corporations feel English-language proficiency has grown in importance in the last five years.

89% of respondents have reviewed the way they assess English skills at their organization in that same period.

48% of respondents have reviewed their process in just the last year, further demonstrating English proficiency’s rise in importance.
LOOKING TO THE FUTURE

Our study reveals that two-thirds of respondents consider improving their workforce’s English skills an important goal for their organization, but will this trend continue in the future? It appears that HR leaders think so.

94% believe that the role of English-language proficiency will maintain its current trajectory and continue to grow in importance.

63% of HR leaders say a larger proportion of their workforce will be required to have English-language proficiency in the future.

63% of respondents plan to introduce more formal English-language assessment and training programs.

37% of HR decision makers believe that independent testing that is objective and provides comparable data will become more important in the years to come.
WHAT DO HR LEADERS WANT OUT OF ENGLISH-LANGUAGE ASSESSMENT IN THE FUTURE?

When we asked HR professionals what their ideal offering looked like, flexibility, individualization and incorporation of technology were the standout responses.

“A globally recognized company with international standards, online testing options, and fair costs.”
– HR Professional, Colombia

“A standardized test that always gives a fixed score. A test that can accurately measure English proficiency in a business scene and a test that can measure all four English skills is desirable.”
– HR Professional, Japan

“I’d like to see gamification-based 10-minute learning modules from basic to advanced levels.”
– HR Professional, India
In our 2015 study, 78% of respondents acknowledged that their need for English-proficient employees had increased, but only 62% encouraged English-language proficiency.

In 2019, 96% of respondents say English communication skills are important, 85% believe the importance of English proficiency to their business in the last five years has increased, and 77% of employers now offer English-language training. What’s more, 51% want an independently-developed English-proficiency assessment that’s standardized for consistency, reliability and fairness. These findings reinforce the idea that today’s business leaders truly recognize the value of English-language skills, and show that, for corporations with an eye on globalization, English communication skills are very much a priority.

The growing significance of English communication skills in the modern workplace is a trend that shows no sign of slowing down. In the future, as even more organizations recognize the benefits of developing the English-language capabilities of their workforce, they should seek a reliable and objective source of data to inform the vital talent management decisions needed to achieve their wider business objectives.
REFERENCES


2 Powers, D. (2010), The Case for a Comprehensive, Four-Skills Assessment of English Language Proficiency
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