# Enhancement of SMB Global Compentency for **Overseas Market Entry**

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## 중소기업 해외시장 진출활성화를 위한 글로벌역량 제고

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Abstract In the era of globalization, small and medium sized businesses (SMBs) are striving to attain competitive advantage in the rapidly changing and diversified markets. It is necessary for SMBs to enhance their global compentency in order to successfully enter overseas markets. In an attempt to shed light on how closely an SMB's global competency is related to how efficiently their employees can perform their tasks in the overseas market, this study examined the nature of English use in oral communication by twelve Korean men working in Dubai. Questionnaires and recordings were used to collect the data. The results show that English competency plays a crucial role in work efficiency in the overseas business context. Also, superior oral skills are considered the most important in doing business as it is the most frequently required form of communication. Participants of the study showed a tendency to make up for their lack of communicative competency by using various strategies. They tried to avoid communication breakdown by all means in order to get the task done.

Key Words: SMB, Global Competency, Overseas Market Entry, Job Efficiency

요 약 글로벌 시대에 급변하고 다양해지는 시장에서 기업이 경쟁우위요소를 가지는 것은 필수가 되었고, 인적자원 은 기업의 경쟁력 제고에 중요한 요소이다. 기업은 이제 포화상태의 국내시장에서 해외시장으로 눈을 돌려야 하고, 해외시장으로의 진출을 확대하기 위해서는 기업의 글로벌 역량을 증진시켜야 한다. 본 연구는 해외시장에서 직원들 의 직무효율성과 기업의 글로벌 역량과의 관계를 조명하기 위해. 해외업무현장에서 사용하는 영어의 특성을 조사하 였다. 본 연구에는 두바이 해외지사에 근무하는 12명의 한국 남자직원들이 참여하였고. 데이터 수집을 위해 설문조사 를 실시하고 영어대화들이 녹음되었다. 본 연구의 결과는, 해외비즈니스 특성 상 대부분의 업무를 영어로 수행해야 함에 따라 영어의사소통능력이 직무효율성에 많은 영향을 미치는 것으로 나타났다. 특히 업무 상 영어로 대화하는 일이 빈번함에 따라 탁월한 구어 구사능력을 갖추는 것이 매우 중요하다는 것을 보여준다. 또한 참여자들은 부족한 의사소통능력으로 인한 의사소통의 단절을 막기위해 여러 전략들을 사용한 것으로 나타났다.

키워드: 중소기업, 글로벌 역량, 해외시장진출, 직무효율성

## 1. Introduction

With the advent of globalization and the Information

Age, today's markets are rapidly diversified. Consumers' needs and preferences are changing daily, and markets as well as sales strategies and goals are

Accepted 2017-02-20 Received 2016-12-20 Revised 2017-01-17 Published 2017-02-28 changing to meet such changing trends. Enterprises should meet consumers' diverse needs, and their survival in today's competitive market requires a new paradigm.

However, small and medium sized businesses (SMBs) in Korea are characterized by weak structures, many of which are of a small business scale and financially vulnerable. The future of Korean SMBs seems gloomy in the rapidly changing global market[1].

SMBs are required to have a competitive advantage in order to survive in the market. Material resources such as capital, high technological capacity, and human resources can increase the competitiveness of a business.

As the paradime shifts from an industry-oriented society to a knowledge and information-oriented society, the importance of human capital is increasing in a business' competitiveness. The success of many companies support this fact. Nowadays, SMBs have a keen interest in the employment, management, and development of superior human resources. If so, how can this be done?

What aspect of human resource can be managed and developed? It is the 'compentency' of employees. The employees' competency largely affects their job performance[2]. An enterprise can only be successful in a rapidly changing business environment through innovative creativity, specialized knowledge, and development of human resource's competency. The term, "core competency" denotes an overall set of these successful elements[3].

SMBs can no longer continue to depend on low wages, high rate of subcontract transactions, dependence on the domestic market, etc. as their sources of growth[4]. It is time for SMBs to turn their eyes from the saturated home market to overseas markets. It is necessary for SMBs to enhance their global compentency in order to successfully enter overseas markets. An SMB's global competency is closely related to how efficiently their employees can perform their tasks in the overseas market. This study attempts to examine linguistic strategic competency of Korean SMB employees required to successfully perform tasks in an overseas business setting.

#### 2. Related Studies

Communication is regarded as an interactive, social activity. A speaker's knowledge of a language determines not only how their communicative exchange develops, but also the assessment of the interlocutor's linguistic competence and their understanding of the topic of the discourse[5]. Due to a gap in the linguistic knowledge of second/foreign language (L2) between both interlocutors, communicative problems or breakdown may arise in real communication situations. Both interlocutors may attempt to solve L2 communication problems by using strategies[6–7]. Such strategies that are used to bridge a gap in L2 linguistic knowledge between both interlocutors while engaged in communication are called 'communication strategies'[8].

The L2 speakers' repertoire of communication strategies varies depending on the extent of their L2 linguistic knowledge. Thus, communication strategies are considered as a part of communication competency.

Strategies used by L2 speakers to convey meaning in the face of communication breakdown started to attract interest in the early 1970s. Since the term 'communication strategy' was coined, it has been redefined and viewed in various perspectives according to researchers' views. In the early days, it referred to the speaker's ability to communicate their ideas in L2 when faced with a communication gap caused by the speaker's inability to understand their interlocutors or to express their ideas in the L2. Later, it was viewed as a device that can help an L2 speaker overcome linguistic inadequacies in communicative exchanges as problem—solving procedures[9].

A number of studies have attempted to explore various aspects of communication strategy use. A comparison of the performance of speakers of a native language (L1) with that of L2 speakers in carrying out an identical task was made[10-11]. It was found out that there was a difference in the types of strategies used between L2 and L1 speakers. Similarly, the

performance of speakers' on story-telling tasks between their L1 and L2 was compared[12]. It was revealed that the linguistic competency level of the speaker influenced his choice of strategy. That is, as the speaker's competency progressed, the types of strategies utilized varied.

Besides, the studies that investigated the use of specific lexical items in a task of picture description among L2 speakers of different proficiency levels showed that advanced speakers used more L2 linguistic knowledge related strategies and fewer L1 related strategies compared to speakers of low proficiency[13]. Also, there was a relationship between the frequency of strategy usage and the speaker's proficiency. As a speaker became more proficient in L2, he relied less on using communication strategies[14–15].

## 3. Research Design

#### 3.1 Participants

Twelve Korean male workers in Dubai, UAE, participated in this study. They aged from 35 to 49, working in the overseas offices of four Korean companies. Their work experience varied and their overseas work experience ranged from 3 to 8 years. None of them had lived abroad prior to working at their present workplace. All participants had graduated from university with different majors.

All participants primarily used English to perform their work tasks. They had varying levels of English proficiency, and possessed some communication competency for business related communication in English. The participants worked alongside workers from other countries, such as the Philippines, India, etc. in their offices. The participants were mostly of mid-level regional management, and low-level management positions.

#### 3.2 Data Collection

Questionnaires and recordings were used to collect the data. The questionnaire that consisted of 20 questions in Korean was handed out to all participants to obtain their biodata and communication related information regarding their work.

Out of 12 participants, 7 were involved in the recording. 7 conversations in English with multinationals were recorded at differing times and places. The topic, content, and length of the conversations varied, with an average recorded time of 10-30 minutes.

The recorded conversations were not scripted beforehand. All recorded conversations were transcribed, and the spoken discourse was analyzed to examine the participants' communication competency in English. The total recorded time was approximately 135 minutes, consisting of 328 utterances.

## 4. Data Analysis

Spoken data was analyzed to identify and classify types of strategies utilized based on Dornyei & Scott's taxonomy[16].

In this study a total of 22 types of strategies with 156 occurrences were identified. Those 22 types identified were categorized into direct, indirect, or interactional strategies. Direct strategies (89 cases: 57.1%) were used the most, interactional strategies (39 cases: 25.0%) the second, and indirect strategies (28 cases: 17.9%) the least, as shown in Figure 1.

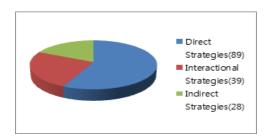


Fig. 1. Types of Strategies Utilized

Out of 22 strategies, it was found that the fillers were employed the most frequently. Figure 2 illustrates the 8 most frequently-used strategies.

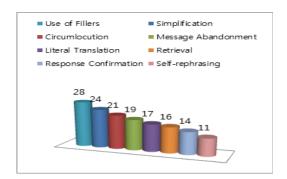


Fig. 2. Most Frequently-used Strategies

The definitions of strategy types are provided with examples from the corpus. The discourse sample of each type is underlined.

#### 4.1 Direct Strategies

 <u>Simplification</u> is simplifying the sentence by eliminating elements that do not interfere with the itended meaning.

E.g. If want to see, when can come?

[If you want to see it, when can you come?]

2) <u>Circumlocution</u> is explaining or delineating the attributes of the target object.

E.g. The price is shared <u>same same to both side.</u>
[The cost will be shared <u>equally.</u>]

 Message abandonment is leaving a message unfinished due to the lack of linguistic competency.

E.g. I mean the <u>abnormal case</u>, <u>ah the</u>, <u>something</u> special case...

4) <u>Retrieval</u> is saying incorrect words and followig it with a correction.

E.g. There is the many <u>cost up</u> in the products, uh, ah, <u>cost increase</u>.

5) <u>Self-rephrasing</u> is repeating an utterance by adding something or paraphrasing.

E.g. Your check is how reliable, if it is reliable or not, I mean, <u>can we believe it or not?</u>

[Please check to see if it is reliable.]

 Use of derivationally-related words is creating incorrect words which are related to the target ones in meaning or form.

E.g. Indicately, profit is good. [It indicates,]

 Approximation is using a substitute or a related word, which has common semantic features with the target word.

E.g. It happened the <u>badness</u> on the production. [There were production <u>defects.</u>]

8) <u>Use of all-purpose words</u> is using general, meaningless words in the place where specific words are lacking.

E.g. you have university certificate or <u>something</u> like that? [Do you have a college degree?]

9) <u>Literal translation</u> is translating a word, sentence or an idea literally from L1 to L2.

E.g. <u>Many orders no problem we can receive.</u>
[We can get many orders easily.]

 <u>Topic avoidance</u> is avoiding the topic which poses language difficulties.

E.g. M(Multinational): Why didn't your company take follow-up measures?

K(Korean): Um. Uh. Ah. Next question?

11) <u>Restructuring</u> is leaving an intended message unfinished due to language difficulties.

E.g. Better talk with manager first <u>before ah, ah,..</u> the, uh,. say yes something to customer.

[it is better to talk to the manager before confirming with the customer.]

 Word-coinage is making up a word which does not exist.

E.g. Is Aziz <u>seeable</u> tomorrow morning? [Is Aziz <u>available</u> tomorrow morning?]

 Foreignizing is using an L1 word by adapting it to L2 morphology.

E.g. Call me office, OK, house, OK, <u>handphone</u>, also OK.

[You can call me in my office, my house or on the cell phone.]

14) <u>Use of similar-sounding words</u> is replacing a word with one that sounds similar to the target word.

E.g. If the product some problem, who take <u>possibility?</u>
[If there are problems in the product, who will take <u>responsibility?</u>]

 Omission is leaving a space when not knowing a given word.

E.g. Without, the so, kind of company guarantee, the person in charge, he cannot so uh uh.

[The person in charge cannot <u>approve</u> without some kind of company guarantee.]

#### 4.2 Interactional Strategies

 Asking for confirmation is requesting the interlocutor for confirmation on what one has heard or understood.

E.g. M: So how solid is your product?

K: What do you mean how solid?

M: That means.. There has to be the minimum condition for your product.

17) <u>Response confirmation</u> is confirming what the interlocutor has said.

E.g. K: You need the health certificate for the animal, if animal has any sickness.

M: Is it the veterinary health certificate?

K: Ah, yes, yes. Veterinary.

18) <u>Appeal for help</u> is turning to the interlocutor for help by asking an explicit question about a needed target item.

E.g. K: So we will prepare the format, which one is the most uh, uh, what is it?

M: Suitable?

K: Yes, most suitable for us.

19) <u>Comprehension check</u> is asking questions to check whether the interlocutor understands what has been said.

E.g. K: We make many pictures and paste, and make one catalog. Understand OK?

M: Yes, I understand.

20) **Asking for repetition** is requesting a repetition when not heard or understood properly.

E.g. M: What sort of things did you submit?

K: Sorry?

M: What sort of things did you submit?

21) <u>Own-accuracy check</u> is checking the correctness words by asking a question.

E.g. K: We increase sales size. Is it right?

M: You mean the sales volume?

K: Right, the volume.

### 4,3 Indirect Strategies

22) <u>Use of fillers</u> is using gambits to fill pauses and delaying time at difficulties in order to keep the communication going.

E.g. Oh hhh... And,. um When did you apply for our company?

#### Conclusion

In an attempt to shed light on how closely an SMB's global competency is related to how efficiently their employees can perform their tasks in the overseas market, this study examined the nature of English use in oral communication by a selected group of Koreans in the overseas workplace. All the participants perceived that English communication competency plays a crucial role in their work efficiency because of the nature of their job in the overseas business context. Also, the linguistic competency in the four areas of speaking, listening, reading and writing were all

perceived to be essential skills in successfully carrying out their tasks. Superior oral skills were considered most important for business as they frequently engaged in oral communication. They believed that their job efficiency could be greatly enhanced if their oral communicative competency did not hinder their performance.

Most of the participants viewed themselves as having a low proficiency in spoken competency. Even so, they were evaluated as successful users of English in real-world situations. They showed a tendency to make up for their lack of communicative competency by using strategies. They resorted to various strategies when they could not come up with appropriate words or expressions in English. They tried to avoid communication breakdown by all means to get the task done.

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