

The labour market for graduates with language skills – measuring the gap between supply and demand

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Background to the research

In October 2009 Hefce published a review of Modern Foreign Languages provision in higher education in England by Professor Michael Worton, Vice-Provost, University College London¹

This review was commissioned by Hefce in response to concern about student numbers and funding issues in relation to the status of languages in Higher Education as a strategically important and vulnerable subject (SIV). It gave an overview of current trends and challenges for the subject and made recommendations for the languages community to address a number of key issues highlighted in the report in order to support long-term sustainability of MFL provision.

In response to this report, Hefce commissioned the University Council for Modern Languages, working in collaboration with other organisations, to follow-up on a number of these recommendations and to produce tools and resources to support senior managers in HEIs in shaping the future of modern languages in higher education. Since the report was published there are signs that the tide is now turning for languages and that considerable new opportunities are emerging on which the languages community can begin to build a more sustainable future. This new landscape for languages is, therefore, reflected in the resources developed by the project which explore issues of identity – how to create a shared sense of purpose within a highly diverse, multidisciplinary and changing field – and present practical ideas for strategic engagement with two key agendas for higher education: internationalisation and employability.

These resources can be freely downloaded from the UCML website². The labour market intelligence report³ under discussion here is one of the many resources available. It is intended to provide an evidence base to demonstrate the value of foreign language study in higher education programmes.

Labour market intelligence for modern foreign languages

Prior to 2011, there had only been one large scale piece of labour market intelligence for foreign languages and intercultural skills. The research was conducted in the four UK nations, investigating the need for language and intercultural skills at all skill levels in the UK workforce. The research was publicly funded by the UK Commission for Employment and Skills in 2007-2008 and the work was

¹ Worton, Michael (2009). *Review of Modern Foreign Languages provision in higher education in England*. HEFCE Issues Paper October 2009/41. London: HEFCE

² www.ucml.ac.uk

³ UCML 2011, *Labour Market Intelligence on Languages and Intercultural Skills in Higher Education*

carried out by the then Standard Setting Body for languages, CILT, the National Centre for Languages⁴.

Previous labour market intelligence found it difficult to establish quantitative evidence of the job market, as language and intercultural skills form part of the overall skills profile of a wide range of occupations. It relied primarily on data from the National Employer Skills Survey⁵ and data on the numbers of individuals working in a particular job role, using Standard Occupational Classifications⁶, with qualitative data provided by focus groups and interviews with employers.

However, the number of working linguists cannot be measured in the same way as doctors, lawyers or accountants. Specialist linguist professions do not have a Standard Occupational Classification. Furthermore, language and intercultural skills are applied across a range of different job roles in all sectors and are therefore very difficult to quantify.

Therefore, the UCML research set out to test new methodologies to quantify the labour market, with a view to establishing a replicable model for measuring the labour market for languages and intercultural skills on a regular basis.

The research comprised three principal methods:

- I. research and analysis of job postings on major online employment websites,
- II. survey of recruitment agencies specialising in language recruitment,
- III. interviews with employers in a variety of sectors.

The research set out to establish

- the level of demand for various languages,
- the sectors where these languages are required, and
- the combinations of skills that complement linguistic or intercultural competence.

As the project was funded by Hefce, the scope of the research was initially England. Additional funding from Routes into Languages Cymru enabled Wales to be included in the scope of the

⁴ CILT (2008). *Labour Market Intelligence in Languages and Intercultural Skills*. London: CILT, the National Centre for Languages.

⁵ The National Employer Skills Survey is carried out every two years by the UK Commission for Employment and Skills. The data is used to 'identify skill-shortage occupations and assess information on the quality of school, college and university provision for young people entering their first job'.

⁶ The Standard Occupational Classification (SOC) is a common classification of occupational information for the UK. Jobs are classified in terms of their skill level and skill content. It is used for career information to labour market entrants and the development of government labour market policies

research at an early stage. Employers in Scotland and Northern Ireland were not surveyed as part of the research but were included where an employment website indicated a vacancy in the nation, or if an employer indicated a UK-wide need at interview stage.

Supply of language and intercultural skills

There has been a sharp decline in language study in English secondary schools following the Government's decision in 2002 to make language study optional for all pupils after age 14. According to the 2010 Language Trends survey⁷, four out of five maintained schools in England reported in the same survey that languages were now optional for pupils at Key Stage 4 (KS4), leading to substantial decreases in take-up. The 2010 Language Trends survey notes that the number of language learners at KS4 continues to decline in state schools, with only 36% and 38% of maintained schools having 50% participation rates in years 10 and 11 respectively, compared to 45% for both in 2008. There is a less significant pattern of decline in independent schools. Only 11% of independent schools reported that language study was optional in KS4.

Total entries for A level language for 16-18 year olds in schools and colleges across England dropped from 39,554 in 1996 to 29,855 in 2010 – a decrease of 25%.

French is taught in 99% of all maintained schools at some level in secondary, followed by Spanish at 76%, German at 67%, Italian at 17%, and Mandarin at 16%.⁸ These numbers are significantly higher however in independent schools, with a wider range of languages on offer.

The overall decline in take-up persists. Results in August 2011 shows that GCSE entries were down 13.2% in French, 13.2% in German and 2.5% in Spanish. At A level, entries were down 4.7% in French, 6.9% in German and 0.2% in Spanish, A level entries in other Modern Languages were up 21.5%. These figures indicate that even fewer learners are now studying the major European languages.

While the overall number of undergraduate university language students has remained largely the same, the total number of university students has increased significantly. The proportion of the total has therefore decreased – in 2009/10, only 2.5 % of all students were studying a language.

⁷ CILT 2010. *Language Trends 2010*. London: CILT, the National Centre for Languages.

⁸ *Ibid*

However, between 2004 and 2010, there has been an overall increase in the numbers of students on language degree programmes. 25% of these are from independent schools, the highest proportion of all degree subjects.

The policy context

It is anticipated that the reduced numbers of learners in state secondary schools will lead to reduced numbers in higher education. There have been several programmes seeking to stimulate interest in learning a language post-14. Employer engagement programmes such as Business Language Champions⁹ have had a proven impact on attitudes towards language learning. Interventions by higher education institutions working in partnership, such as the Routes into Languages programme, for which the evaluation has been very positive,¹⁰ are ongoing and work is being carried out to demonstrate the impact on the numbers taking languages.

In November 2010, Education Secretary Michael Gove proposed the designation of the English Baccalaureate, which is to be awarded to any pupil who secures a grade of A* - C in GCSE or iGCSE in all of the following: English, maths, the sciences, a modern or ancient foreign language, and a humanities course (history, ancient history or geography). All language GCSEs or accredited iGCSEs count towards the English Baccalaureate, including community languages. It is hoped that this will raise the status of language learning in secondary education and contribute towards a reversal of the decline of recent years.

In addition to the issues in secondary schools, new problems have also emerged in higher education. As of autumn 2012, tuition fees in England (and in Scotland for English students) will rise to £9,000 a year in many cases. Language undergraduates must undertake a fourth year of study, spending the third year of their degree programme abroad, incurring additional accommodation and subsistence costs. A wide range of funding arrangements for the year abroad is proposed by the various higher education institutions, from no cost to 50% (£4500) for the year. There is already concern that there will be a drop in numbers following language degree programmes if fee compensation is not secured for the year abroad.

⁹ Business Language Champions was a DfE-funded programme aimed at inspiring 11-16 year olds to continue learning languages by linking schools with employers and employees who recognise the benefits of languages. It engaged 406 and 453 businesses between June 2009 and March 2011 and demonstrated a 4% overall increase in the takeup of languages in participating schools

¹⁰ HEFCE 2011, Evaluation of HEFCE's programme of support for Strategically Important and Vulnerable Subjects. A report to HEFCE by Curtis & Cartwright Consulting.

Hefce designate languages as a Strategically Important and Vulnerable subject and funding continues to be directed towards efforts to stimulate takeup. But the UK already has a low participation rate in the Erasmus¹¹ study abroad scheme compared to other European nations. If the numbers of undergraduates studying a language and taking a year abroad continue to decline, this could have a significant impact on the employability of UK graduates in the global market.

The likelihood is that low student numbers on language degrees, combined with low participation rates for UK students in the Erasmus scheme supporting study abroad, will have a further impact on the numbers of UK graduates with international experience. In short, the ability of UK graduates to compete on the international job market, home and abroad, is hampered by these deficiencies in their educational experience.

Demand for language skills

Despite, and perhaps partly because of, the declining numbers of those studying the major European languages, the labour market intelligence collected by UCML demonstrates a continued demand for the four modern foreign languages most commonly studied at university: French, German, Spanish, and Italian. Together, the four languages account for over half of all requests. Dutch was the fifth most requested language – with more requests than Swedish or Russian. Non-European languages, such as Mandarin Chinese or Arabic, are also in demand.

The research shows that French and German are the most popular with employers who specify a language for recruitment. Other European languages, such as Spanish, remain strong because of their worldwide influence. Portuguese is regularly cited as a language for which there will be an increased demand and the research also demonstrates the importance of Dutch. Germany and the Francophone nations of France, Belgium and Luxembourg contribute significantly to UK trade, and as a result, the demand for those languages remains very strong.

There have been several high profile examples of individuals proclaiming that we teach the wrong languages in the UK. However, the research findings show that they are requested in addition to – not instead of – the Western European languages that have been taught for so many years in UK higher education and that the languages in greatest demand are those of our European trading partners.

¹¹ Erasmus is a EU-funded programme which facilitates staff and student mobility in higher education. It is open to all staff, students and institutions and is not restricted to language degree programmes

Businesses in a wide variety of sectors actively seek recruits with language ability. Requests for German and French in Sales and Trading roles accounted for 16% of all requests, demonstrating the strong demand for linguists working in the UK's two largest markets. The Sales and Trading sector accounted for one third of all available vacancies. This was followed by IT and Technology, Administrative, Finance, and Project Management positions.

Responses from recruitment agencies indicate that employers are looking for linguists with advanced foreign language skills that can be used in a business context. Their clients seek recruits who are highly competent in languages but not necessarily specialist linguists, such as translators or interpreters. This is a very positive message for graduate linguists.

Employers were quick to note the importance of language skills for UK business in general. Many believe languages constitute an important part of an overall graduate skills package – considered valuable alongside communication, teamwork, and leadership skills. Insufficient UK graduates are acquiring the necessary skills to compete in the global business market. If employers are unable to access language skills in the UK workforce, they are forced to recruit from overseas, which has a negative impact on the employability of UK graduates. The CBI argues that this recruitment strategy causes a number of problems for businesses operating overseas, forcing them to curtail expansion until suitable recruits can be found¹².

Relationship building and intercultural awareness were cited as an added benefit of language skills. Graduates with language skills exhibit valuable competences such as the ability to work in a diverse team or an improved understanding of the cultures linked to the languages they speak. Language learning complements and fosters an ability to work with individuals from diverse backgrounds, and can enable individuals to build relationships on personal and professional levels. It also strongly suggests an ability to learn new skills and adapt to new situations and surroundings.

Significantly, language learning encourages international mobility which itself is highly valued by employers; international experience is associated with a strong command of a particular language and increased flexibility. Employers overwhelmingly reported that, when applying for a job, a UK graduate with knowledge of one or more foreign languages would have 'the edge' over a similar graduate with no language skills.

However, employers are becoming increasingly dissatisfied with the foreign language and intercultural skills exhibited by candidates. The annual CBI Education and Skills survey highlights the growing

¹² CBI (2009). *Emerging stronger: the value of education and skills in turbulent times – Education and Skills Survey 2009*. London, CBI.

dissatisfaction of employers with the cultural awareness and language skills of school leavers and graduates¹³. 73% of employers surveyed reported a need for language skills. 60% of employers were unhappy with the foreign language skills of graduates, and 43% reported gaps in graduates' international cultural awareness. Employers reported a significantly higher rate of dissatisfaction in these skills amongst school leavers, reporting a rate of 76% and 61% respectively. In respect both of graduates and school leavers, foreign languages were reported to be the skills in relation to which employers were most dissatisfied.

The strategic importance of language and intercultural skills

Languages and intercultural skills are strategically important in a challenging economic environment. UK graduates must develop their language ability to remain competitive in today's global workforce. The perception that everyone speaks English, or that English is enough, can be easily challenged. Only six percent of the world's population are native English speakers – 75% do not speak any English at all. Language use on the Internet – a rapidly growing platform for international communication and commerce – has changed dramatically between 2000 and 2009. In 2000, English accounted for 51% of all language use on the Internet, but just 29% in 2009.

The Monthly Review of External Trade Statistics published in November 2010 by Her Majesty's Revenue and Customs shows that in 2009, the UK held a trade surplus with only the USA, Australia, Ireland, Greece, Saudi Arabia, the UAE, and Portugal. In every other case the UK experienced trade deficits. The greatest surpluses were with English speaking countries.

James Foreman-Peck, a professor at Cardiff Business School, argues that underinvestment in languages amounts to the equivalent of a 3-7% tax on British exports. He estimates the cost to be in the range of £7.3 billion and £17 billion, or 0.5 to 1.2% of GDP¹⁴. The Confederation of British Industry (CBI) notes that while a lack of foreign language skills may not often lead to direct losses, it is likely it has deterred businesses from entering into new global markets. Companies that are proactive in their export approach and adapt their products, services, and literature to meet market needs, placing a high value on language skills, could see their business increase on average by £290,000 per annum, and export businesses that proactively use language skills achieve on average 45% more sales.

¹³ CBI (2011). *Building for Growth: business priorities for education and skills: Education and Skills Survey 2011*. London. CBI

¹⁴ Foreman-Peck, James (2007). *Costing Babel: the contribution of language skills to exporting and productivity*. Cardiff: Cardiff Business School

The 2010 CBI Education and Skills survey notes, 'Companies particularly value an employee's ability to communicate conversationally with potential business partners, customers or clients in their own language: this can help break the ice, deepen cultural understanding, and open access to new markets.'¹⁵

The cost to the economy is likely to increase if the decline in language study in school and cuts to university language departments continue. In order to remain competitive in the global marketplace, the UK must invest in language ability, and specifically, British businesses must invest in linguists who speak the language of their customers in order to export goods and successfully enter new markets.

Roland Rudd, the Chairman of Business for New Europe noted¹⁶:

Britain's business, industry and academic institutions are leaders, both in Europe and globally. The world, however, is rapidly changing, and for Britain to remain a competitive, innovative leader, it must change as well... [Steps] need to be taken to increase foreign language skills in the United Kingdom to maximise opportunities for British business. Learning a foreign language not only enables people to interact but it also provides an insight and understanding into different customs and cultures. Over half of our trade is with other countries in the European Union, and most of it is in countries where English is not the first language. [Language] learning is vital to the continued success of British business.

Articulating employer demand for languages and intercultural skills

Although labour market intelligence and other employer surveys repeatedly report that foreign languages are an area of skill shortage or a skills gap, careers information, advice and guidance often does not reflect this. Employers themselves do not sufficiently articulate the value they place on language skills. Job advertisements and job descriptions do not always contain the words, 'language skills would be an advantage' even when this is evidently recognised to be the case. Employers cannot include an exhaustive list of beneficial skills in every job advertisement, but they have an important contribution to make in communicating more clearly the career benefits of having a foreign language if public attitudes and student choices are to change.

¹⁵ CBI 2010. *Ready to grow: business priorities for education and skills: Education and Skills Survey 2010*. London: CBI

¹⁶ UCML 2011, *Labour Market Intelligence on Languages and Intercultural Skills in Higher Education*

If business were to articulate more clearly the need for language skills, then the careers information and guidance services in secondary and higher education would be able to provide more accurate and well informed advice to students considering their options for qualifications and programmes of study. This in turn could incentivise language learners and stimulate take up.

Conclusions

In higher education in general, the forthcoming introduction of higher tuition fees in 2012 puts a significant emphasis on value for money. If higher education is expected to produce more international and employable graduates across all disciplines, this research shows that language and intercultural skills will contribute to the development of this calibre of graduate. Language learning in higher education can provide the return on investment that students will inevitably seek.

This research demonstrates that there is still a high demand for language and intercultural skills from employers. This is an important message for any institution delivering language learning in secondary, further or higher education. Employers are looking for individuals with active language skills, able to work on an international stage at home or abroad. They are looking for a wide range of languages, across a variety of sectors. Most importantly, the research has enabled the higher education language community and other interested parties to make progress in quantifying the labour market for language and intercultural skills.

International experience is reported as a definite advantage for graduates to succeed in the recruitment process, as is relevant work experience. The year abroad, with work placements in a school or business, provides a unique opportunity to demonstrate this valuable international experience and enhance a graduate's profile. Yet this opportunity is now under threat.

Labour market research concludes languages continue to be critical to the success of the UK. We are indeed learning the right languages but would also benefit from learning more. The numbers of those learning languages must be increased to ensure that continued demand can be met and employers must be encouraged to articulate the value that they place on recruiting and retaining employees with language skills.