COPING WITH MULTILINGUALISM: INTERNATIONALIZATION AND THE EVOLUTION OF LANGUAGE STRATEGY

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ABSTRACT

Research summary

In this article, we explore the interaction between internationalization and language strategy. We identify a range of language coping mechanisms that internationalizing firms use in response to the multilingualism they encounter. Learning outcomes and strategy implications of each of these mechanisms are identified. We then build a conceptual model to depict how over time interaction and influence between internationalization and language strategy becomes a two-way, co-evolutionary process. A key aspect is the role of management in shifting the firm from a reactive to a more proactive stance on language strategy. A case study is used to contextualize and illustrate the co-evolutionary process over the long term. Case data demonstrate the constant adoption and adaptation of coping mechanisms that feed into language strategy as internationalization unfolds.

Managerial summary

This article links the internationalization process of firms with the exposure to multilingualism and the development of language strategy. We outline how internationalizing firms may utilize a range of *language coping mechanisms* – such as the adoption of a common corporate language – to handle multilingualism. These feed into the development of language strategy. The case of Fazer, the Finnish bakery, confectionary and catering firm, provides an illustration of how language strategy co-evolves over time as internationalization proceeds – in Fazer's case many decades. Fazer's experience also demonstrates the importance of management, and changes in top management, in ensuring a more proactive language strategy is adopted and enforced. Adequate allocation of resources and a link to performance management were found to be critical in supporting strategic implementation.

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INTRODUCTION

> "In 2011-2012, we were speaking about One Fazer Strategy which aimed at shared processes and a shared culture. A common corporate language was a natural part of the One Fazer Strategy because we believed that it was not possible to achieve the One Fazer goal without a common language. At that time, we also spoke about global growth and expansion (Fazer company informant)".

The world of international business is a world of multilingualism. Coping with this reality is a challenge for the firm's management and its employees, particularly as the firm expands and enfolds more and more diverse languages, as the above quotation indicates. The role of language has long been recognized in international business research. Early work on the internationalization process included language as an element of psychic distance, a concept equivalent to cultural distance (Johanson and Vahlne, 1977; see also Dow and Larimo, 2009). Likewise, language has been considered as a component of cross-cultural communication research. However, such treatment had the effect of consigning language to the 'culture box'.

More recently, language has come to be considered in a more substantive way: that is, viewing language as a research issue in its own right (Welch, Welch and Piekkari, 2005). Because of its impact on foreign marketing processes such as advertising and promotion, the role of language has been of particular interest (e.g., Clarke, 2000; Crick, 1999; Marcella and Davies, 2004). Other work has addressed areas such as foreign direct investment (via mergers and acquisitions); international joint ventures; licensing and franchising (see Cuypers, Ertug, and Hennart, 2015; Kroon, Cornelissen and Vaara, 2015; Maclean and Hollinshead, 2011); as well as headquarter-subsidiary relationships and the management of language diversity (Feely and Harzing, 2003; Marschan-Piekkari, Welch and Welch, 1999a; Neeley, Hinds and Cramton, 2012; Peltokorpi, 2015; Reiche, Harzing and Pudelko, 2015).

One area that remains to be addressed is the relationship between internationalization, multilingualism and strategy (Piekkari, Welch and Welch, 2014). This connection, therefore, is the focus of our article. We use the following research question to guide our analysis: How does language strategy evolve as internationalization unfolds and in what form? The three concepts which are the subject of our analysis are defined as follows: (a) *internationalization* is 'a multifaceted process that occurs over time' involving increasing commitments to foreign markets in a variety of forms (Welch and Paavalainen-Mäntymäki, 2014: 2); (b) *language* refers to everyday spoken and written communication. We recognize though that there are other layers or forms of language, such as professional, technical, industry language; and 'company speak'; and that definitions of language may vary, depending on scientific discipline, for example, linguistics, semiotics, and organizational discourse (Welch *et al.*, 2005; Welch and Welch, 2015); and (c) we define *language strategy* as the pattern of language policy responses a firm uses to cope with the multilingualism arising from international operations.

We begin the article with an analysis of the way in which a firm's internationalization forces a variety of responses to emerging language demands. We term these *language coping mechanisms*. These responses, whether undertaken intentionally or reactively, become the basis of an evolving language strategy. In addition, the use of and feedback from various language coping mechanisms contribute to experiential learning that feeds into both internationalization and language strategy. An important component of experiential learning we identified was that of language learning; that is, learning *about* language in terms of its practical yet pervasive role in the accomplishment of international operations.

The interaction between internationalization and language strategy development is then conceptually explored through the construction of a co-evolution model. We include a range of influences on these processes, such as the role of top management, that affect implementation of a language strategy. While the model is theoretical in nature, we draw on the case of the Finnish firm, Fazer, to illustrate how co-evolution may play out in practice. The Fazer data demonstrate the importance of managerial commitment to drive language strategy implementation particularly when faced with organizational resistance and the need to build, deploy and maintain adequate language capacity.

We regard the identification of language coping mechanisms used in response to the demands of internationalization as an important contribution. Also, we present for the first time, a conceptual model that links together the co-evolutionary processes of internationalization and language strategy development.

INTERNATIONALIZATION AND LANGUAGE COPING MECHANISMS

In this section, we discuss how firms handle the various demands that arise as a result of crossing language borders as internationalization proceeds. How each firm responds naturally depends on its characteristics such as: the background (including home language context) and experience of key staff; the number and nature of foreign markets entered and languages encountered; international experience; the size of the firm and its resource base; and the diversity of languages that the firm confronts. Of course, to respond to language demands, one has to first recognize need. For example, studies of Irish and UK exporters report survey respondents who claimed that other languages were not important as their foreign customers were competent in English (see Clarke, 2000; Swift, 1993). But research has also shown that, as firms expand their international operations and confront language issues, at some stage awareness of the importance of language emerges (Crick, 1999; Marcella and Davis, 2004).

Drawing on relevant internationalization and language research, it is possible to identify a range of *language coping mechanisms*, representing responses to the language needs arising from international business expansion. We stress that we are not claiming an orderly linear progression through the options we identify; nor do we consider that responses necessarily indicate conscious, deliberate decision-making. Moreover, within each option there may be a wide variety of different types of action, such as ways of developing and deploying language resources. Firm size seems to be a factor. Larger firms appear to be more responsive to emergent language issues than smaller firms due to access to greater resources (Peel and Eckart, 1997). The combination or package of options will inevitably change over time in response to experience, continuing internationalization and changing managerial perception of the role and importance of language. A multilingual decision-maker is more likely to be comfortable with a broader range of foreign markets from the outset (Hurmerinta, Nummela and Paavalainen-Mäntymäki ,2015). Of course, influence may apply in the other direction. Language may have an impact on internationalization decisions, such as biasing foreign market choice decisions (Piekkari *et al*., 2014).

Six language coping mechanisms, drawn from existing literature, are identified in Table 1 below, each with corresponding characteristics, learning outcomes and language strategy implications. The list is not meant to be seen as exhaustive. We also stress that we present them as options rather than either/or choices. In fact, limited research shows a propensity to use different mechanisms in combination, both within and across markets rather than relying on a single option (Piekkari *et al.,* 2014*)*. We now discuss each of these language coping mechanisms.

TABLE 1 ABOUT HERE

Follow language similarity path

This language coping mechanism involves expansion on the basis of the similarity of home and host country languages. A key characteristic is that it allows a firm to expand without initially having to allocate additional resources to deal with a foreign language. As Barrios and Benito-Ostolaza (2008: 14) comment: 'Spanish FDI [foreign direct investment] abroad has been strongly influenced by language proximity'. Business contacts tend to be greater between countries with low psychic distance, a component of which is language (Dow and Larimo, 2009). Exporters, for instance, tend to be more comfortable about operating in a foreign environment that is more similar to their own. As well as the feeling of familiarity, by staying with psychically-close markets firms gain economies of scale through the use of similar promotional material, product and service brochures and the like, along with associated cost benefits. However, firms coming from countries with less-used native languages (Estonia, Finland and Indonesia for example) naturally are restricted in their ability to follow a language similarity path compared to those coming from, say, an English-speaking country (such as Australia).

Language similarity may be an important motivator but this option may result in market-selection bias. For firms based in English-language-speaking countries, following a language similarity path may be feasible for an extended range of countries. For example, a British firm can move into the United States, Canada, Australia, New Zealand and South Africa with little need to accommodate multilingualism due to the predominance of the English language in those countries. Likewise, firms from countries using other well-used languages such as Spanish can internationalize while staying within their language zone.

This option provides restricted opportunities to learn about managing the various challenges thrown up by multilingualism. Of course, fortuitous circumstances may intervene at any stage in internationalization and result in a firm entering a market with an unfamiliar language that, in turn, provides an opportunity to follow a different language similarity path. For example, a British firm, previously only involved in English-speaking markets, might respond to a fortuitous order from a Spanish customer. To follow up on this opportunity, the

British firm may be forced to acquire Spanish-speaking capabilities. If so, the firm then has the capacity and potentially the motivation to exploit market opportunities in other Spanish-speaking markets, such as Central and South America. Japanese multinationals used the language experience gained through operating in the US to establish subsidiaries in the UK. This became the springboard into Continental Europe, starting with the Netherlands due to its perceived degree of English language competence (Hood and Truijens, 1993).

In a similar vein, opportunities in other markets may be exposed due to fortuitous network connections – for example, foreign customers who have networks extending into other countries that use different languages (Piekkari *et al,* 2014). The exporting literature shows that a high proportion of export starts are fortuitous, frequently driven by the actions of foreign buyers or their agents (Welch, Benito and Petersen, 2007). Thus, despite following a language similarity path, there may be some experiential learning about foreign markets through the intervention of other foreign parties. This represents a turn from the language similarity path.

While we indicate in Table 1 that this language coping mechanism could be described as a language avoidance strategy, the approach may not be conscious or deliberate: it could be viewed as a quiescent language strategy.

Use of intermediaries

This coping mechanism involves the utilization of foreign agents or distributors as language channels in foreign markets. Firms that begin through exporting can avoid foreign language demands to some extent through the appointment of local intermediaries fluent in both languages; that is, the exporter's and the relevant foreign market language. In his study of UK exporters, Crick (1999) found some firms choose their foreign agents as much for their English skills as their marketing capacity. An intermediary such as a local agent in the foreign market, with the necessary local language base, can readily undertake the language conversion role. In a study of Finnish SMEs, 57 percent of respondents indicated that 'they use local agents in their export markets in order to compensate for their staffs' "limited language skills"' (Pohjanen-Bernardi and Talja, 2011: 81, 82). One respondent explained: 'we would not manage [to handle language demands in foreign markets] without our agents' (Pohjanen-Bernardi and Talja, 2011: 82). Another commented: 'we make an effort to find partners whenever language skills are seen as a prerequisite for success. We have English speaking partners in Korea, Japan and China. They act as a buffer between us and local companies and authorities' (Pohjanen-Bernardi and Talja, 2011: 81).

Over time, firms typically undertake a variety of foreign market-related activities, either with their intermediaries or on their own behalf. Sales staff often make frequent visits to foreign markets in the attempt to generate additional information and monitor intermediary performance (Welch *et al*., 2007). However, such independent monitoring will often expose staff to the importance of local language fluency. MacDonald and Cook (1998: 221) cite the experience of a UK exporter operating in Germany who related: 'Whilst the German distributors speak excellent English, you go visiting the customers – it's so difficult - they don't speak English at all'. As a result, a growing understanding of the importance of language fluency becomes part of experiential learning.

In strategic terms, using intermediaries is more reactive in that what happens in a particular market will be heavily influenced by the actions and capacity of the intermediary including language aspects. This may generate a form of strategic inflexibility.

Outsource to external providers

Another coping mechanism is the use of external translation services to handle foreign market language demands. As shown in Table 1, outsourcing of language-related activities can be described as a reactive strategy. The demands for translation as a result of operations in multiple foreign markets can, at certain times, overwhelm even the most language-resourced internationalizing firm. Demands can be so bunched that even central translation units have to resort to external assistance. Variation in translation demand was a factor in Oxfam's use of external translation services. At times, requests for translation assistance from its extensive global operations overwhelmed Oxfam's ability to respond, in spite of its preference for internal solutions (Lehtovaara, 2009). Thus, outsourcing to external translation services may be an essential coping response (Fixman, 1990). Piekkari *et al*., (2013: 781) argue: 'Outsourcing operates as a pressure valve'. However, for small firms, outsourcing may be an essential coping mechanism from the outset as they are less likely to have a diverse internal language capability. Language training may also be outsourced at the firm's expense but usually in the employee's own time.

Through outsourcing, firms may come to appreciate the place and importance of language in their interactions with external parties. Outsourcing of translation activities, for instance, implies learning about what information is important to have translated for external communication. The challenges of outsourcing due to issues around quality assurance, increased costs, or changing needs may alert the firm to the necessity to build in-house language expertise. As indicated in Table 1, over time, the limits of outsourcing as a way of handling translation peaks and troughs can be a stimulus to develop a more deliberate language strategy.

Translation of websites

The adoption of information technology for online language assistance is another way firms can cope with language demands. The rise of E-commerce has enabled some firms to internationalize in a virtual format. Early adopters of the enabling technology relied on selling though websites. When confronted by customers with different languages, a common response was to set up multilingual websites. An European study found that, for 62 percent of SMEs, the most common action in adapting to the language diversity of their markets was to translate their websites into another language (Hagen, 2006). For example, the Latvian firm, Stenders, translates its website into ‘no fewer than 13 languages... The company is planning on translating the website and adapting it to each new market it expands into’ (Hagen, 2011: 103). The company reports that increased sales have been a by-product of translation of the website

Difficulties can arise though in the follow-up of customer inquiries in the relevant language, necessitating the employment of language competent staff, establishing effective machine translation technology, and/or outsourcing to external providers. Customer expectations are inevitably raised once they can access a translated website (Piekkari *et al.*, 2014).

Thus, what initially may have seemed to be a low resource intensity coping response can lead to a more substantial language-related commitment. Firms tend to learn that a broader response is needed and learn how deal with the required changes This may involve integrating more advanced website technology, language relevant employment, and language strategies, resulting in a movement to a more active, deliberate approach.

Adopt a common language

A frequent response by firms with subsidiary operations is to mandate a common corporate language for in-house communications. As internationalization progresses, new markets mean that ‘information intensity is likely to increase [and the firm]... must transfer the information it has found and acquired’ into the organization (Macdonald, 1996: 221). This necessity immediately raises the issue of language: information needs to be codified, stored and distributed in a form that is accessible to diverse users in different locations and language environments. The internationalizing firm may move to accommodate growing multilingualism by introducing a common corporate language (CCL) that is to be used for all internal, inter-unit communication. Essentially, a common corporate language is a form of language standardisation introduced to reduce the potential for miscommunication arising from multilingualism. Through a unifying language, management seeks the integrative benefit from the facilitation of information flow and knowledge-transfer around the global entity. Research indicates that the adoption of a common corporate language leads to organizational adjustments to accompany its implementation (Fredriksson , Barner-Rasmussen and Piekkari, 2006; Piekkari *et al*., 2014).

The adoption of a common corporate language is often seen as a major formal step in the recognition of the place of language. It signals a major effort to deal with multilingualism. For some firms, it is an emergent process: a type of learning-by-doing. In their analysis of the evolution of the common corporate language in the Finnish multinational, Kone, Marschan-Piekkari, Welch and Welch (1999b: 380) found that 'the introduction of the official company language followed a rather emergent strategy'. They quote a Finnish manager who commented that 'English has simply evolved by itself and it has become the natural language for internal communications: a practical solution with the increasing internationalization of the company'. Palo (1997) relates the experience of the Finnish multinational, Outokumpu. Its internationalization path was through exporting, then licensing and eventually subsidiary operations via acquisition. As expansion proceeded, accompanied by an increase in the non-Finnish-speaking workforce, Outokumpu felt the need to impose a common corporate language, English.

As the above examples illustrate, adoption of a common corporate language can be seen as strategic adaptation to the unfolding demands of communication across the growing network of the internationalizing firm. Further, while it may be a conscious and proactive strategy, there is a danger that top management may regard a common corporate language as the end point, rather than a step towards a formal, more deliberate language strategy.

Build requisite multilingual capacity

This coping mechanism involves the development and deployment of appropriate language resources. It tends to be used by larger and more globalized firms as it requires a higher level of resource commitment to deal with greater multilingual demands. These include actions such as: hiring language competent employees, provision of language training, deploying language competent employees to positions requiring such competencies, establishment of central translation departments, and embedding translation technology into systems to support cross-language communication and information flow. Taken together, such resources have been grouped under the term language capital, defined as 'the aggregate of individual and MNE foreign language capacities' (Welch and Welch, 2015:6).

To be useful though, language capital has to be converted into an utilizable form: what Welch and Welch (2015) term language operative capacity. They define language operative capacity as 'language resources which have been assembled into a form that the MNE can apply, in a productive, context-relevant manner, as and when required' (2015: 2, 3). Welch and Welch (2015: 3) describe language operative capacity as 'language-in-place, language-in-time and language-in-context'. Within the internationalizing firm's global network, language resources have to be deployed where required, placing significant demands on the availability and mobility of its language-competent workforce. This will be a particularly restraining factor for smaller firms (Hagen, 2006), as will be the ability to respond to product and information requests in a foreign language in a timely manner. However, through experience, small firms can develop multilingual capacity. In the case of a

Polish firm with 85 employees, having lost sales through several language-related mishaps, documentation was produced in up to five different languages to allow for what the firm called 'rapid response'. The firm also established 'a personal language development plan for employees' including requirements to undertake business trips to use language skills. This was supplemented by language sensitive recruitment, and the employment of native speakers in new markets (Hagen, 2011:25-26).

As indicated in Table 1, developing, managing and applying language resources in a multinational network are demanding tasks. To be effective, managerial commitment is required and this may foster an articulated deliberate language strategy integrated with internationalization objectives.

INTERNATIONALIZATION AND LANGUAGE STRATEGY EVOLUTION

In the Introduction, we posed the question: How does language strategy evolve as internationalization unfolds and in what form? Our exploration suggests that whether planned or accidental, the language coping mechanisms used by the firm will have a bearing on the evolution of a language strategy. In the process, firms learn and develop expertise in language management. This is conceptualized in Figure 1 below. Whatever the content of language strategy, it generates feedback into decision-making about continuing internationalization and the use of various language coping mechanisms. In effect, the process we are depicting indicates interaction and influence between internationalization and language strategy. In Figure 1, we insert experiential learning to indicate its emergence from the use of language coping mechanisms. Such experiential learning forms the base from which language strategy evolves.

FIGURE 1 ABOUT HERE

Experiential Learning

Experiential learning is a key factor in the internationalization process (Argote and Miron-Spektor, 2011; Forsgren, 2002; Welch and Luostarinen, 1988). Indeed, Johanson and Vahlne (1977: 23) argue that internationalization is best viewed as a dynamic learning model. These authors later reiterate that research has confirmed that 'experiential learning is indeed a central factor in a firm's internationalization' (Johanson and Vahlne, 2009: 1421). Learning about the role and importance of language is an integral part of international experience. For instance, as mentioned above, a firm may find that having multilingual websites is of itself insufficient to cater for the needs of customers. This realisation can lead to the incorporation of other coping mechanisms, such as the use of foreign market intermediaries.

We do not assume that firms will learn how to better handle language issues merely by experiencing language differences. Hotho *et al*. (2015: 99) comment that: 'past experiences are not necessarily beneficial and that firms may learn incorrectly'. Experiential learning can potentially generate false confidence about what language coping mechanisms are achieving, such as managerial belief in the efficacy of a common corporate language. Managerial experiences with the use of English in foreign market dealings can give a false impression of the extent to which English is spoken and used, and hence management does not see language as an issue to be dealt with (Feely and Harzing, 2003).

It may be that language differences in themselves become the barrier to learning, as Villinger (1996) reports from his study into East/West acquisitions. Both Eastern and Westerner managers listed language problems as the dominant barrier to successful post-acquisition managerial learning. Moreover, a negative language experience in one foreign market may be extrapolated to others and impact on the firm's internationalization, perhaps even to the point of withdrawal from some markets.

As noted in our discussion surrounding Table 1, experiential language learning develops in various ways. Even though intermediaries may be used as the primary language facilitators, visits by staff may be instruments of increased language awareness and related skills development. Multinational firms encourage joint activities such as training between its various units and these can reinforce the need to respond to multilingualism. Individuals can learn about the importance of language fluency through their social networks which may straddle countries through international activities such as joint projects, international postings and market visits (Welch and Welch, 2015). Johanson and Vahlne (2009) stress the way in which learning develops through the expansion of international networks and their inter-connections, as well as activities between parties that comprise these networks. Obviously, a shared language is a prerequisite for interaction.

In a review of global strategy and organizational learning literature, Hotho *et al*. (2015: 91) conclude that 'most authors have broadly addressed global strategy, but rarely assess the deeper concepts of organizational learning that can give us insights into how learning works or how it influences global strategy or firm performance'. Our analysis suggests that the learning associated with language use forms an additional aspect of experiential learning in the process of internationalization.

Evolving Language Strategy

Language strategy evolves as a consequence of the multilingualism that accompanies internationalization, and the firm's attempts to cope with it (see Figure 1). Strategy is often depicted as a plan of where to take the firm in the future and how this is to be achieved. This view is based on the idea of a rational assessment of a firm's environment, industry and market, and of its capacity to achieve goals derived from this analysis. Such a perspective is reflected in the definition of language strategy proffered by Hagen (2011: 4): 'the planned adoption of a range of techniques to facilitate effective communication with clients and suppliers abroad'.

In contrast, there is a school of thought that views strategy as being crafted in a continuous and adaptive process, derived from experience, that shows the firm how to deal with the uncertainty, competition and unpredictability of markets. For instance, Whittington (1993: 22, 24) argues that organizations 'opt simply for "adaptive rationality", the gradual adjusting of routines as awkward messages from a dynamic environment eventually force themselves on managers' attention'. Multilingualism is an example of the type of awkward messages that internationalization may bring to the firm's strategy table. For some within the processual perspective, the firm's distinctive resources are critical in the long-term development of strategy. The strategy-as-process view also recognises that other strategies may emerge alongside or be adapted from deliberately imposed intentions (Mintzberg, 1987). 'Emergent strategies are those which are realized despite, or in the absence of, intentions: a form of unintended order. There is an absence of preconception but a pattern is discernible', in retrospect (Welch and Steen, 2013: 796).

The evolution of language strategy illustrated in Figure 1 can be viewed as an example of 'strategy-as-process'. It reflects the observation from Mintzberg and Waters (1984: 257) that strategy is 'a pattern in a stream of decisions' Emerging empirical work suggests that, rather than a planned, rational approach, most internationalising firms tend to be initially reactive with respect to language strategy (Piekkari *et al.,* 2014). In the early stages of internationalization, for example, it may be feasible to follow a language similarity path. But with continued global expansion, language differences become more intrusive and more difficult to ignore. With experience, as we discussed above, there tends to be a transition towards a more proactive language strategy. That is, the firm deliberately attempts to control or deal with the demands of multilingualism in an anticipatory manner. This involves recognition that language matters, and that positive action is required to manage it.

However, from the limited research, it seems that international organizations with formal language strategies or policies are in the minority. For example, a study of 47 international organizations operating in Finland found that 21 percent had language strategies, though some other respondents indicated that their firms had informal guidelines and practices (Ylinen, 2010). A similar study of Danish firms found that 39 percent had formal corporate language policies (Simonsen, 2009). Kangasharju, Piekkari and Säntti (2010) analysed the formal language policies of six multinationals in Finland and found that language lacked a strong strategic role. Their analysis suggests that corporate strategy drove language policy in a top-down manner which resulted in mere operative sets of guidelines regarding language usage, training, translation and internal software technology. From this limited evidence it appears that many firms have a mix of formal and informal language strategies that influence language usage. It is not apparent though at what stage in the internationalization process this occurs, and what determines the shift to an over-arching formal language strategy that is monitored and regulated.

The strategy literature recognizes that initiatives are often the result of actions by actors other than top management. In their review of the strategy-process literature, Hutzschenreuter and Kleindienst (2006: 698) consider that research provides 'evidence that strategic change can take place before it is recognised or acknowledged as such by the TMT [top management team]'. In this sense, strategic implementation sometimes precedes strategic formulation; that is, before any official directive emanating from formal planning (Burgelman, 1983; Hutzschenreuter and Kleindienst, 2006). For instance, those individuals charged with undertaking various activities in the field, such as international sales staff, encounter language differences in the course of their assigned tasks. These individuals, often without the requisite local language, have to devise their own coping solutions which, upon return to the home (sending) organization, become the knowledge base that the firm may be able to exploit for strategy purposes (Welch, Welch and Worm, 2007). Such responses may even be beyond the gaze of top management as multifarious actions are undertaken by individuals in dispersed global locations. Though initiated at the individual level due to a specific work situation, coping mechanisms may come over time to influence and/or form part of a firm-level emergent language strategy. Indeed, Bingham and Eisenhardt (2011) consider that autonomous strategic behaviour can be regarded as the precursor to emergent strategy.

The work on the adoption of a common corporate language suggests that language policies tend to accompany formal managerial recognition of the importance of language. Lahtinen (2000:112) cites the reaction when the Finnish multinational, Wärtsilä, provided CCL (English) training to all employees in its newly acquired Italian operation. One respondent commented: 'It's amazing that Wärtsilä is investing so much on this... maybe they have realized it's really important'.

As a language coping mechanism, the adoption of a common corporate language can be, and is often, viewed as comprising the complete transition to a formal language strategy. However, Steyaert, Ostendorp and Gaibrois (2012: 271) remark, 'there seems to be a growing consensus that the adoption of a common corporate language is not the endpoint of a language policy but forms one of the possible anchor points around which to deal with multilingual complexity' (see also Reiche *et al.,* 2015). One can argue that the common corporate language is more than an anchor point given the necessary changes that its imposition requires throughout the organization, unleashing a chain reaction due to the consequences for those forced to operate in the imposed language. Nevertheless, moving beyond the introduction of a common corporate language to a broader language strategy may be constrained by the way in which the common corporate language has been implemented. As Hutzschenreuter and Kleindienst (2006: 677) argue, 'the outcome of a strategy process is also the context in which the following strategy occurs'.

A co-evolutionary process

While internationalization tends to precede the development of language strategy, providing the context within which language strategy develops, this primacy does not mean that language always lags. Instead, language can be a driver of internationalization decisions: thus the upper arrow from the box 'language strategy' to the box 'internationalization' in Figure 1. For example, Hagen (2011: 33) reports that the U.K. firm, Nikwax, 'only embarks on a new country when it is able to handle the basics of the language'. Similarly, a study of 2,000 European SMEs found that 13 percent of participant firms were influenced by the language abilities of employees when selecting potential export markets (Hagen, 2006). At times, firms may be frustrated in executing their internationalization strategies by a lack of relevant language resources. Pohjanen-Bernardi and Talja (2011) cite the example of a Finnish firm selling through the Internet. It was unable to set up a Chinese-language Internet operation due to the lack of in-house Chinese-language competence.

The question here is whether the two interacting processes can be considered co-evolutionary. Pajunen and Maunula (2008: 249) state: 'for a co-evolutionary relation to occur, it is necessary that two or more processes must have a noticeable influence on each other's evolution' (see also Lewin and Volberda, 1999; Liesch, Welch and Buckley, 2011). Co-evolutionary theory has tended to consider the interaction between the firm and its environment as a way of explaining the observed 'simultaneous evolution of organizations [and] their environments' (Madhok and Liu, 2006: 3). There have been attempts to bring the level of co-evolutionary analysis from a concentration on external factors (macro co-evolution) to consider micro organizational factors such as structure and processes in order to explain the way in which various parts of the organization co-evolve within the context of the whole (see for example, Lewin and Volberda, 1999). We see the response and adaption to successive foreign environments (macro-level) encountered as a result of internationalization as one part of a firm's evolution. One aspect of this process is the changing language environments which likewise require adaptation in the form of different coping mechanisms that build into language strategy (micro-level evolution).

Thus, it is feasible to theoretically treat internationalization and language strategy development as co-evolutionary. As Lewin and Volberda (1999: 527) argue: 'Organizations and their parts do not merely evolve. They coevolve with each other and with a changing organizational environment'. They consider that this interaction allows change 'to be driven by mutual direct interactions' between parts of the organization. Feedback from operations is an important aspect of co-evolution dynamics, as shown in Figure 1. Further, as Madhok and Liu (2006: 7) point out, 'internal microevolution reflects the coevolution of intrafirm resources, capabilities and competencies'. The concept of language operative capacity is reflective of this point (Welch and Welch, 2015).

Another component of co-evolutionary theory is the role of management. Lovas and Ghoshal (2000: 875) stress the 'role of top management in shaping the direction and outcomes of the evolutionary processes within firms' (see also Liesch *et al.*, 2011; Wangrow, Schepker and Barker III, 2015). The idea of management orchestrating is inherent in the concept of guided evolution (Madhok and Liu, 2006). Studies into the part played by strategists have revealed the importance of managerial characteristics such as cognition and framing bias that are developed over time and impact on strategic choice (Hutzschenreuter and Kleindienst (2006). Language can be part of a manager's framing bias, influencing the recognition of multilingualism as a strategic issue. For instance, monolingual CEOs may downgrade the importance of language strategy and send signals of an ethnocentric mindset, as Sanden's (2015) study of Danish multinationals highlights. One case company, Grundfos, adopted English as a common corporate language as an early language coping mechanism and had a lengthy written document specifying its language strategy. Yet, the top management team at Grundfos was all Danish. As a HR manager commented in an interview: 'I think it is problematic that our executive board has such poor English skills because it sends a wrong signal to the company... it is unfortunate to have a corporate language that the managers of the company are unable to speak fully' (Sanden, 2015: 147). A similar conclusion was reached by Bellak (2014) in her study of language choice in Austrian and Danish multinationals. Thus, changes in the top management team may trigger adjustments in the evolving language strategy. But implementation is critical. For example, while the pursuit of managerial control is an important driver of the imposition of a common corporate language this is not necessarily assured. Subsidiary managers in multinationals may have a different perspective. Research has revealed how the actions of individual subsidiary managers confronted with a formal common corporate language directive can impede and hence derail the implementation of this language strategy (Piekkari *et al*. 2014).

Overall, in this section, we have demonstrated the connections between internationalization, experiential learning and evolving language strategy within a co-evolutionary framework. This prompted us to ask: how does co-evolution play out in practice? We turn now to a case study to illustrate these connections.

FAZER: CO-EVOLUTION IN PRACTICE

As a way of demonstrating the interaction between internationalization and language strategy, we draw on the results of a case study of Fazer Group, a leading bakery, confectionery, and catering company based in Finland. In 2016, its net sales were 1,603 million Euros and it had

14,876 employees (Annual Review, 2016 – see Fazer's Website). The empirical material serves to contextualize and illustrate the theoretical discussion in a way that brings the conceptual model 'to life'. In other words, we theorize with, rather than from, the Fazer case (see Welch *et al*., 2011).

Methodology

The Fazer Group was selected because of the availability of public documentation and information, as well as access to key informants. Further, it was possible to trace Fazer's internationalization and the development of its language strategy over time. Personal interviews, which formed the main data source, were conducted by a Finnish research colleague[1]. The four informants interviewed were: the Group's Human Resource Development manager in 2014, 2016 and 2017 (F1); the former Head of Communications in 2016 (F2); the former Head of International Operations for the bakery division in 2016 (F3), and a former CEO in 2017 (F4). All four were in positions that included responsibilities for Fazer's international operations[2]. These interviews, which ranged from 60 minutes to two hours, were held in the premises of the Fazer Group, at the university, at the interviewees' homes or in a public setting. Because the Human Resource Development manager had been recruited to Fazer in 2012, interviews covered only the most recent history of the company, particularly the specific motives for introducing a formal language strategy. The interviews with F3 and F4, who were retired former managers, focused on earlier years of Fazer's internationalization process.

Data triangulation was aided by access to confidential documents on Fazer's language strategy from 2012, a company presentation on corporate communications from 2006, an anniversary book (Donner, 1991) to celebrate Fazer's centennial and publicly available

[1] We defer to the wishes of this person to remain anonymous; however, the person's identity is known to the Editor.
[2] To preserve anonymity, names of interviewees are not disclosed.

material available on the company's website. We also drew on three guest lectures about Fazer's internationalization process given in 2003 and 2012 to Master of Science students.

The empirical material was analysed in several steps. Firstly, the personal interviews were recorded and subsequently transcribed. They were conducted in Finnish or Swedish, but summaries in English were produced the following day. Secondly, these summaries were discussed within the research team and also sent to key informants for factual verification, yielding some additional data (Cresswell and Miller, 2000). Thirdly, as the following sections show, the empirical insights from interviews, company documents and other material were related to our conceptual model.

Fazer's Internationalization

Fazer Group, a family-owned company, was founded by Karl Fazer in 1891 with the opening of a French-Russian cafe in Helsinki. Karl Fazer had an international mindset from the start: he was born to a Swiss father and had studied confectionery in St. Petersburg, Paris and Berlin. Fazer's international expansion started in the early 1900s through importing raw materials and machinery and exporting confectionery products. In 1925, Fazer established a trading company in the Netherlands to trade in raw materials. By the 1970s, the export business had grown mainly through chocolate sales to predominately European markets.

Sales through airport duty-free stores and ferries in more than 50 countries of Fazer confectionery ensure a wide spread of export operations. At the time of writing, exports of confectionery from Finland went to more than 30 foreign markets through a network of distributors. It also exports a product called milk chocolate crumb (semi-finished chocolate) mainly to markets in Asia – for more than forty years in the case of Japan. Some Fazer bakery products such as biscuits are exported to international markets mainly in Europe, Canada and Australia, again through local distributors. For example, confectionery and bakery have their own distributors in Germany. In addition, its food services division includes catering to Fazer-owned 1,100 restaurants in Finland, Norway, Sweden and Denmark. Fazer's catering division acquired shares in a Danish competitor in 2001, and this division entered the Latvian market at the same time. The catering division acquired shares in a Norwegian firm in 2003, complementing its own activities established the year before.

Sweden was Fazer's first and most important foreign market, after the opening of its first store in Stockholm in 1920, and in 1967 Fazer established its first foreign subsidiary – a greenfield operation – in Sweden. Further expansion into Sweden came via acquisition in 1975 of a Swedish chocolate manufacturer. A collaborative arrangement with another Swedish competitor, Cloetta, was formed in 1990. The two enterprises merged in 2000, with shared production units in Sweden and Poland, but this was dissolved in 2009. Fazer used acquisitions in 1997 of candy stores in Norway and the UK to supplement its exporting to these markets.

In 1982, Fazer set up a Swedish bread-making division. The factories in Sweden and Finland export products such as biscuits to a wide range of international markets. Germany has been considered an important export market, including the sale of organic rye bread to Aldi stores. As an interviewee explained, 'We searched for a year to find a good distributor [for bakery products] in Germany' (F3). Expansion into the Baltic region was through acquisitions: Estonia in 1994, and Latvia and Lithuania in 2001. The UK connection had begun earlier, in 1991, when United Biscuits acquired 49 percent of Fazer Biscuits, increasing this to a majority share in 1994. The move into Russia in 2005 was through acquisition of a Moscow-based bakery firm. Further expansion was through a St Petersburg bakery in 2009, joining the catering business that Fazer had acquired there in 2006. One market that was problematic was Poland. Despite attempts to improve its market share and profitability, production ceased in 2005 and it is now serviced via exports of confectionary and bakery products from Finland. Bakery exports to Japan recently ceased.

In the company's 2016 Annual Review, the breakdown by country indicated that only 2% of total sales occurred outside the Nordic/Baltic area whereas Fazer's home market (Finland) remains dominant at 49 percent. This is despite the fact that Fazer indicated in 2012 it was aiming to become an international company by 2016. The company's CEO at the time was quoted as saying he wanted to push more strongly into Asia: 'I believe the greatest opportunity is in China' (Nieburg, 2012).

Development of Fazer's language strategy

In Finland, a dual-language society, Fazer is known for being a "Swedish-speaking" company because the owner-family belongs to the small but powerful Swedish-speaking elite. This is reflected in the fact that for most of its history, the language of top management has been Swedish rather than Finnish. One interviewee (F2) went so far as to comment that the confectionery division was "quite Swedish-speaking" from the beginning despite the "international orientation of the business". Indeed, in terms of language use, the three business areas varied significantly. As one interviewee explained: 'the confectionary business was rather English-speaking, the bakery and catering businesses were much more local and Finnish-speaking, and the corporate level was Swedish-speaking' (F4). The language of the business area was also strongly affected by the language skills of the particular manager leading the business area in question (F2).

Given that exporting via the use of distributors was the primary way in which Fazer expanded beyond its home market in its initial global expansion, it inevitably relied heavily on this network of intermediaries to handle language issues that arose in its foreign markets and 'it was important that the distributors spoke English' (F4). As another interviewee confirmed, 'one needs to be able to speak English to negotiate with local distributors [but] it is also important that the [selected] distributor has the relevant language skills' (F3) in order to communicate with Fazer as well as local customers. The international focus, according to another interviewee, meant that many languages were used within Fazer. 'Respecting the local businesses and their languages... was part of Fazer's heritage' (F2). 'The provision of English lessons to Russian bakery employees was a way to improve internal communications between Fazer's various units' (F1).

The expansion beyond Scandinavia made it evident that Swedish had its limits as a medium of internal company communication. As an interviewee explained, 'acquisitions into Russia and the Baltic States… meant that we could not use Finnish and Swedish anymore' (F3). Thus in 2001, Fazer decided to introduce English alongside Swedish for internal documentation and communications, and for joint activities such as company projects and training which necessitated the bringing together of employees from different countries and units. As a result, there was a stress on language skills in recruitment. There was also the issue of translation. Multilingual secretaries, both at home (Finland) and abroad, were heavily relied on to undertake necessary translation of documents, act as interpreters during meetings, and even to adapt the Fazer communication for the local market context. External translation services were also used.

The dual language approach was changed in 2012 when English replaced Swedish as the common corporate language – more than 90 years after foreign operations began. As the opening quotation to this article indicates, a common corporate language was seen to be a natural part of the newly introduced One Fazer strategy because 'we believed that it was not possible to achieve the One Fazer goal without a common language... Therefore, we considered it to be natural that the official common language would be English' (F1). Another justification was that the introduction of English as a common corporate language was seen a cost-saving measure, because it reduced translation expenses. Two new members of the top management team were instrumental in launching English as the common corporate language. They were recruited from the Finnish multinational, Nokia, an early adopter of English as a common corporate language (Kangasharju *et al*., 2010).

These activities led to the launch of an official language policy. It specifies the translation of documents into English, and that recruitment practices should stress English competence as an important criterion. English fluency is mandatory for those recruited to international positions, particularly at senior management levels. At that time (2012), Fazer entered into an agreement at the corporate level with an external language training provider. This action enabled employees to improve their English language skills.

An interviewee (F1) admitted at the time of interview (four years after the launch of the language strategy) there was a sense of it being 'diluted' as Fazer managers' attention had shifted from language strategy to other issues, and language policy had been 'forgotten'. Staff turnover was also attributed to the lack of attention to the language strategy. There was a sense that the One Fazer strategy 'had taken a step back' following the change of CEO in 2013. There was a move away from standardisation and coordination, with fewer shared processes as areas and units were given more autonomy. In this context, the incoming CEO placed less emphasis on language as a key issue. A contributing factor to the dilution was a lack of support for the common language, particularly in some of the Baltic units, with Poland noted as 'a challenge language-wise' (F1). Employees below local management level units tended to consider the imposition of English as an intrusion by the Finnish headquarters. As well, important messages conveyed only in English did not always reach subsidiary employees who could hide behind the language barrier. Further, international rotation of employees between Fazer units was inhibited because knowledge of English was not sufficient. It became evident that Fazer employees had to possess good knowledge of local languages such as Danish or Swedish in order to adjust and perform in the receiving units. Fazer's top management was not aware that the English language had not penetrated the lower levels of the organization.

Influence and Interaction

Our case analysis indicates how Fazer's language strategy emerged over time in response to internationalization-related decisions and actions. At the same time, language, reinforced by the background of the Swedish-speaking top management, influenced Fazer's approach to internationalization. This is reflected in its use of specific language coping mechanisms: initially working through intermediaries, with Swedish remaining the dominant internal working language. Once the decision was made to establish operations in non-Swedish speaking markets such as the UK and the Baltic Region, the internationalization process created pressure for a more comprehensive approach to language strategy.

As the introduction of a dual language policy in 2001 indicates, language strategy lagged behind internationalization.The move to make English the corporate language can be seen as an outcome of the learning process resulting from Fazer's building of foreign direct investment (FDI) operations in different countries. For example, Fazer's Polish production unit, acquired as a result of its merger with its Swedish competitor Cloetta, was under-performing, with associated challenges regarding the various languages – Swedish, English and Polish. The decision to close the factory in 2009 was met with almost a sense of relief that the language challenges were, in the main, removed as a consequence. Moving from FDI back to exporting, a form of de-internationalization (Benito and Welch, 1997), was detailed by an informant: '... we have regressed from global expansion and we aim at being a strong player in the domestic market [domestic being defined as the Baltic Sea Area]. Also, in terms of the One Fazer Strategy we have taken some steps backwards' (F1). The impact of such decisions on Fazer's language strategy was evident in the way in which managerial attention had drifted to the extent that in 2016 it was described as 'forgotten', and thus the role of language strategy was reduced to being seen as 'instructions or guidelines'.

At first evolving in an emergent manner, Fazer's language strategy became more deliberate once top management recognised the need for coordination and control of their diverse foreign operations. Moreover, Fazer's experience highlights how top management can be highly committed to incorporating language into its internationalization strategy but this can be person-dependent. The influence of the new managers from Nokia gave the imposition of the corporate language impetus in 2012 but not all of these individuals remained with Fazer for long. One interviewee (F3) attributed this mainly to the mismatch between the Nokia approach being imported to Fazer, and the family-oriented organizational culture of Fazer. The exit of such individuals, combined with the dilution of the One Fazer policy, appears to account for the loss of attention to the language policy implementation process. There was hostility towards the common language from country units: 'the language strategy is seen as something unpleasant' (F1). Nevertheless, English remains important overall. Elements of the common corporate language strategy remain in Fazer's human resource policies such as recruitment. As mentioned above, not speaking English became a barrier to internal mobility and career advancement. The increased commitment to the Russian market meant that more managerial employees required English language training.

DISCUSSION AND CONCLUSION

In exploring the connection between internationalization and language strategy development, we build a co-evolution model (Figure 1) which links these processes. Critical to this linkage are the language coping mechanisms used by firms to deal with multilingualism. Use of these mechanisms generates learning, the outcome of which influences the evolution of language strategy (see Table 1). While the process of internationalization tends to precede, language strategy can influence how the firm approaches decisions regarding internationalization. That is, influence and interaction flows in both directions consistent with co-evolutionary theory.

The inclusion of experiential learning in our co-evolution model is not novel: we have stressed its important place in the Uppsala model of internationalization (Johanson and Vahlne, 1977; 2009). However, 'while the internationalization process model stresses the importance of learning as a driver of international progression... the elements of relevant learning have not been well established' (Benito *et al*., 2013: 212). One of these elements is language. Our exploration reveals the experiential learning inherent in the use of, and feedback from, the various language coping mechanisms. These can therefore be seen as presenting the internationalizing firm with different avenues to language learning.

We use the term language learning deliberately, though not in the usual sense of learning to speak another language. Rather it is learning *about* language in terms of its pervasive role in and impact on the internationalization process and language strategy development. Firms learn where and how to include language in the conduct of international operations through a growing awareness and appreciation of how language can intercede in the strategic implementation of international objectives. However, such awareness is related to the national context of the internationalizing firm. For example, it could be argued that Finnish firms are more likely to be language-aware compared with those from the United States (Fixman, 1990; Piekkari *et al*., 2014). Firms learn how to undertake practical steps, such as ensuring language capabilities are stressed when selecting employees, particularly those intended for international assignments. This may lead to a range of routines and policies that have the effect of institutionalizing language responses. Gavetti and Levinthal (2000: 113) note that 'routines reflect experiential wisdom in that they are the outcome of trial and error learning and the selection and retention of prior behaviors'.

Learning-by-doing may lead to adaptation of language strategies, such as the discontinuation or substitution of particular language coping mechanisms: shown in Figure 1 by the feedback arrow from the 'language strategy' box to the 'language coping mechanisms' box. The process emphasises that fact that various language coping mechanisms are constantly being adopted and/or adapted due to continuing internationalization, and the learned experience of applying specific responses as part of the evolving language strategy. One of the aspects of language learning that firms begin to understand as they seek to implement language strategy is how little is known about their stock of language resources (Piekkari *et al*., 2014). Some firms counter this by regular auditing of company-wide language resources and the construction of a language data bank (Reeves and Wright, 1996).

The conceptual model depicted in Figure 1 is of necessity simplified. The Fazer case illustrates some of the messy reality of the evolution of a language strategy. The processes referred to in our model may take a considerable length of time to unfold. There was little change in Fazer's main language coping mechanism – the use of intermediaries – for decades until more substantial internationalization decisions resulted in an acceleration of language and strategy responses in the latter period. This is a reminder that increased internationalization can be accomplished through changes in foreign operation modes. These may be accompanied by different language consequences due to the extent of variation in direct involvement in a foreign market. Foreign acquisitions often entail the movement of staff (Piekkari *et al*. 2014). When different languages between the merging entities are involved, integration will include a decision about which language, or a combination, is to be adopted as the common corporate language. Merger and acquisition (M&A) decisions can therefore force adaptation of language strategy as each new acquiree brings its own language into the 'merger' (Vaara *et al*. 2005). Acquisitions can also bring useful language knowledge and understanding – a form of *imported* learning that does not rely on time-dependent experiential learning.

As noted earlier, managerial orchestration coupled with top management characteristics are important in the development of language strategy (Hutzschenreuter and Kleindienst, 2006; Madok and Liu, 2006). Changes in top management often result in a change in strategic direction. There may be a quick injection of experiential language learning from past positions in other organizations, but as Fazer experienced, one CEO may champion a deliberate language strategy but another can de-emphasize it.

The Fazer experience also demonstrates that formulating a language strategy, whether it be in the form of a mandated corporate language or a defined language policy, is only a first step. To be effective, formulation has to be followed by implementation, as indicated in Figure 2 below. This essential connection has long been stressed in the general strategy literature. For instance, Barney (2001: 54) argues: 'the ability to implement strategies is, in itself, a resource that can be a source of sustained competitive advantage'. Many firms grapple with this critical part of the strategy process and there are inevitable adaptations involved depending on how the firm is able to respond to the various pressures that emerge.

FIGURE 2 ABOUT HERE

In terms of language strategy, our case data suggest possible influences that may emerge during implementation. These are included in Figure 2. Given the rigidities surrounding the way in which language is treated, a key factor in the implementation of a language strategy over time is top management commitment and persistence to 'stay the course'. As indicated above, changes in the top management team can derail implementation if incoming managers do not have the same level of commitment. The allocation of adequate resources to develop requisite language capacity is a tangible signal of management intent. Another factor that can impede implementation is resistance to change. For example, the mandated corporate language may be met with resistance by those without the levels of fluency that would enable them to function effectively, generating resentment (see Neeley *et al*., 2012). In addition, Figure 2 incorporates the issue of time – not just in terms of the internationalization aspects noted above, but it is recognized that developing adequate language capacity is time-dependent (Welch and Welch, 2015).

Managerial implications

Even when managerial attention turns to language strategy, the issue may struggle to be regarded as important in the long run as other aspects of internationalization take over and consume managerial attention, as our analysis of Fazer illustrates. At the least, it would appear that substantive progress will only occur when top management becomes convinced of and committed to the need for integrating language into the strategy process.

While the adoption of a common corporate language is a frequent managerial response, there is a danger of it becoming an endpoint, the epitome of a language strategy. To circumvent this, an effective language strategy needs to go much further, including the specification of aclear direction and goals, and targets against which performance can be measured. The strategy must be circulated widely throughout all parts and levels of the organization, with the visible imprimatur of top management. Further, to be taken seriously, it needs to be appropriately resourced, including perhaps the appointment of a dedicated language person responsible for its implementation, and to superintend the conduct of regular language auditing as part of the monitoring process. The incorporation of language as part of performance management policies is a way of signalling the importance of relevant language competence.

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Further research

In our analysis, we were not able to identify the circumstances under which language strategy is incorporated into the firm's formal strategy processes: that is, the point at which language strategy comes into managerial focus in a way that prompts the formulation of deliberate strategies. It is not evident whether the accumulation of language pressures over time, a major explicit internationalization step, or a combination of these, trigger change. There are obviously other factors, such as managerial action, at play that influence the way in which feedback from internationalization is viewed. Future research is needed to: (a) clarify the drivers of language strategy over time; (b) better understand the process of change in language coping mechanisms; and (c) clarify what factors influence the selection, use, mix and adaptation of language coping mechanisms in response to increasing multilingualism.

In sum, we see our contribution as moving the discussion on language in international business to the strategic realm, linking internationalization and language strategy in a co-evolutionary model. In so doing, we introduce the concept of language learning as an outcome of firms' attempts to deal with multilingualism through the use of various language coping mechanisms.

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Table 1: Language Coping Mechanisms

Coping Mechanism	Definition	Characteristics Implications	Learning Outcomes	Language Strategy Implications
Follow language similarity path	Expansion on the basis of similarity of home and host country languages	• Allows firm to expand without initially having to allocate language-related resources • Market selection bias	• Limited language learning • May expose opportunities in other markets due to network links	• Can be seen as a language avoidance strategy • Quiescent language strategy development
Use intermediaries	Utilization of foreign agents or distributors as language channels in foreign markets	• Resource commitment determined by level of involvement and arrangements made with intermediaries	• Greater understanding of market and language issues	• Reactive strategy • Being locked into intermediaries' capacity and action may lead to strategic inflexibility
Outsource to external providers	The use of external translation services to handle foreign market language demands	• May initially be cost-effective • Limits internal language resource development • Depends on firm size, market spread and monitoring	• May alert need for recruiting language competent staff or building in-house resources	• Reactive strategy in response to language demands • Can be a stimulus to development of language strategy
Website translation	Adoption of information technology for online language assistance	• Low commitment of language-related resources	• Awareness of need for language competent staff to handle enquiries etc.	• Linking of HR and IT to language strategy • More active, deliberate approach
Adopt a common language	A common corporate language mandated for in-house communications	• Involves language training • High resource commitment • Effectiveness depends on internal processes to support	• How to adjust for the corporate language • How to support its implementation	• Strategic adaptation • More proactive, but may be seen as a substitute for a deliberate language strategy
Build requisite multilingual capacity	The development and deployment of appropriate language resources	• Tends to be used by larger, more global firms • High resource commitment • Involves language capital development, appropriate deployment in context	• How to develop manage and apply language resources	• Deliberate strategy to support multilingualism that co-evolves with global expansion

Figure 1: Evolution of Language Strategy

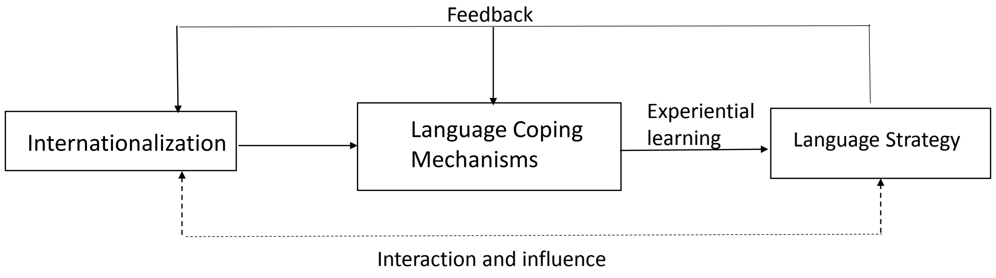

Figure 2: Implementation of Language Strategy