

# INTERNATIONAL MARKETING EDUCATION: ARE WE TEACHING THE RIGHT SKILLS FOR ENTERING A GLOBAL MARKETPLACE?

Stephen C. Cosmas  
Helena Czepiec  
Juanita Roxas  
Joyce L. Emilio  
Kay Hammonds

California State Polytechnic University  
3801 W. Temple Ave., Pomona, CA 91711  
(909) 869-2436

## ABSTRACT

This study tries to determine what skills are necessary for business students, including marketing majors, to successfully gain entry to jobs with companies that are increasingly becoming more globalized. By also identifying what skills companies perceive as lacking, recommendations are made about how to improve current courses so that these skills can be developed in business students.

## INTRODUCTION

Increasingly business school graduates will be looking for employment with multinational businesses. For example, in California alone it is estimated that 10% to 15% of the economy, representing approximately 1.5 million jobs, is associated with international commerce (Sakamoto, 1988; Schachter, 1994). Marketing students, in particular, will be required to be prepared for the global marketplace because much of the growth in jobs is tied to increases in foreign trade. Again in California one of the fastest growing segments in an otherwise stagnant economy is international trade. International trade into and out of California quadrupled from 1979 to 1992 (Schachter, 1994). According to past studies, firms indicated that the greatest need for increased international business expertise would be in sales and marketing (Sakamoto, 1988). Factors, other than the explosion of international trade, which are contributing to the internationalization of the job market include "globalizing markets, instantaneous communications, travel at the speed of sound, political realignments, and

changing demographics (Kanter, 1991)".

Are marketing students as well as other business students being adequately trained to enter the global marketplace? Past studies of U.S. businesses conducted by the Departments of Labor, Education and Commerce, found that two-thirds of the firms felt that current job seekers for entry level positions lacked basic skills in such areas as communication, problem solving, interpersonal relations and leadership (Carnevale, 1988; McLaughlin, 1989). American business schools have been criticized for being too theoretical and out of touch with needs of globally competitive corporations and rapidly changing economic environments (Muller, Porter, and Rehder, 1991; Hotch, 1992).

It is important to determine whether companies engaged in multinational business have the same requirements as domestic U.S. firms when hiring employees. Furthermore, do they think that current job seekers are meeting their needs to compete in a global arena? This paper hopes to provide some insight on these two questions so that strategies might be developed to better train business school graduates.

## OBJECTIVES

The purposes of this study are to determine:

- What skills are needed to obtain a position in international business.
- What skills companies perceive lacking in current job seekers.

## METHODOLOGY

The study of international business requirements was based on a mail survey that was sent to a random sample of business executives in 378 international firms in southern California. The companies were selected from membership lists of the Foreign Trade Association of Southern California and from the International Marketing Association of Orange County.

A cross section was taken from all types of businesses including construction, freight forwarders, electronics, warehousing, banking, oil trading, insurance, real estate, legal services, hospitality, health care, manufacturing, retail and government.

Responses were received from 129 individuals or 34 percent of the sample. Some 15.8% of the companies had sales under \$1,000,000; 24.6% sales between \$1,000,000 and \$5,000,000; and 60.0% with sales over \$5,000,000.

Seventy-one percent of the respondents were senior managers, 24.0% mid-managers, and 5.0% junior managers. Eighty percent were males and 65.0% were between the ages of 31 to 50.

There were 76.6% of the companies headquartered in the United States. Of those companies not headquartered in the United States, 40.0% had headquarters in Japan. Some 6.7% each are headquartered in England, Netherlands, France, United Kingdom, Australia, and Taiwan.

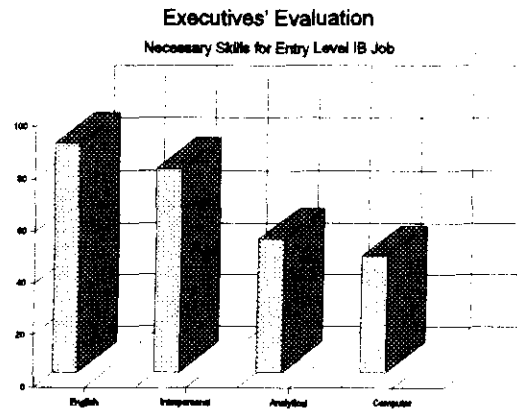
The study of perceived skill deficits was based on another mail survey of managers of 400 companies in southern California (Emilio, 1993). The firms chosen were based on a quota sample of firms found in the Southern California Regional Industrial Buying Guide 1993. These companies represented a diverse selection of industries. The firms ranged in size from sole proprietorships to 350,000 employees. The manufacturing firms represented industries including military electronics, aerospace, food processing and distribution, engineering, paper manufacturers, biomedical manufacturers and cosmetics manufacturers. Service type companies included, retail, construction, banking, citrus

growth, beverage distribution, supermarkets and health care.

Business requirements were measured based on a three point scale (very important, somewhat important, and unimportant) of the importance of each of the following factors: interpersonal skills, analytical, computer, and English communication skills.

Perceived skill deficits were measured based on a dichotomous (yes, no) scale of the absence of the following skills: writing, interpersonal, analytical, and computer.

FIGURE 1



Findings

Figure 1 shows the top four skills that respondents marked as "very important" for candidates in entry level jobs among the international firms surveyed. A very large majority (87.8 percent) of these executives ranked "English Communications" as very important in recruiting candidates for entry level international business jobs. This confirms previous studies wherein English was considered the most important language in international business.

According to this survey, the need for English communication skills is closely followed by good "Interpersonal skills," considered very important by 78.3 percent of respondents. Around half the respondents also rated "Analytical skills" and "Computer skills" as "very important" among

entry level candidates (51.4 percent and 44.9 percent respectively).

Surprisingly, Table 1 shows that foreign language proficiency (27.2%) and knowledge of foreign culture (27.8%), though not unimportant, were considered less important than a host of communication, analytical and computer skills. This is perhaps due to the likelihood that entry level jobs will be domestic rather than overseas assignments.

**TABLE 1**  
Executives' Evaluations of Necessary Skills for Entry Level Jobs

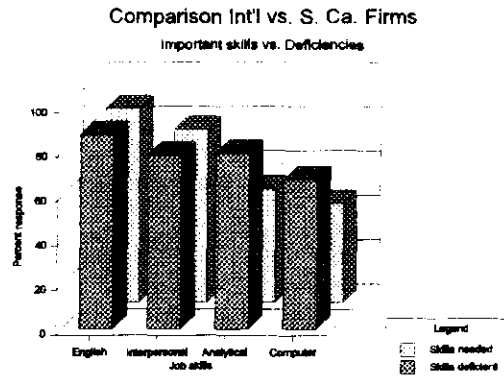
Skills	Very important	Mean Rating
English Communications	87.8%	1.13
Interpersonal	78.3%	1.23
Analytical	51.4%	1.51
Computer	44.9%	1.68
Knowledge of Foreign Culture	27.8%	1.85
Foreign Language Proficiency	27.8%	1.92
Minor in Business Area	20.2%	1.96

Figure 2 compares these results with the other survey of human resource managers from firms in southern California. Although this survey asked human resource managers what skills their workers were currently deficient in, the results were alarming. Responses in this survey so closely matched those of the international survey in that this sample considered major deficiencies in precisely those areas that the other sample considered very important for entry level candidates.

Deficiencies among current workers were identified primarily in the areas of English language skills -- both reading and writing (87.6 percent), Interpersonal skills (76.3 percent), Analytical skills (79.4 percent), and Computer skills (67.3 percent), the very areas considered "very important" by managers in international firms.

These findings lead to the question of whether international marketing programs in business schools are adequately preparing students for the very skills needed by U.S. firms faced with increasingly aggressive competition from overseas firms.

**FIGURE 2**



This comparison shows that schools are not devoting enough resources to developing basic skills in their graduates that employers need especially in the areas of reading and writing English. Likewise, schools need to focus on programs that foster students' interpersonal skills as well as develop their analytical and computer skills.

### Conclusions

Much has been written about the need for reforming the U.S. educational system, especially in light of competition in the global marketplace. Studies comparing American students to their counterparts in other developed and even other developing countries have shown that there is much room for improvement (Carnevale, 1988).

This study highlights very specific areas wherein managers in the front lines of global competition feel that employees should possess basic skills. The survey of Southern California managers is not exactly comparable because the sampling frame is different and the questions were asked from a different perspective. However, the authors were struck by the way responses lined up. The very skills that one set of managers deemed as almost crucial to their operations were the ones that another set of managers felt

their work force was deficient in.

#### Recommendations

For Marketing Educators, the perception of the business community is very important. If those entering a marketing career are perceived to be deficient in basic skills so as to pose a problem in securing an entry level position, the discipline as a whole suffers. Yet, can Marketing Educators do anything? The answer is yes. In many marketing courses, those skills needed for entry level positions are necessary to successfully complete the course, and as such can be elevated and honed. For example, many of the skills required can be incorporated and further stressed in the workshop approach used in many personal selling courses. In fact, with growth of sales automation, all skills required including computers can be further stressed.

In addition, in courses like marketing research, more emphasis can be placed on proposal writing, computer analysis and written communication of results. Students will then gain further practice in honing their English, analytical and computer skills.

Finally, the incorporation of the computer analytical exercises into all marketing courses at all levels should be stressed. The computer provides a basic tool to aid students in developing analytical insights, and organizing and communicating their thoughts.

Future studies should delineate skills to provide increased insight. For example, computer skills could be divided into spreadsheet abilities, statistical analysis, database management, and word processing.

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