

Study Abroad and Economic Competitiveness: A Research Summary

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The United States economy faces a significant demand for a workforce that can seamlessly integrate into the global economy. The Lincoln Commission strongly believes that increasing the number of U.S. undergraduate students who study abroad could greatly augment the competitiveness of the U.S. workforce.

The Impacts of Globalization on Business -

International commerce is a significant area of growth for U.S. businesses. The access to international markets now affects all sectors, from small blue-collar firms to corporate giants. The global economy presents new opportunities...

- U.S. businesses saw 58% of their earnings growth come from overseas in 2004, According to a recent *Business Week* analysis;
- Trade and returns on international business investment have risen from 13% of the U.S. economy to nearly 30% last year;

as well as new challenges...

- 30% of large corporations feel they have failed to fully capitalize on their international business opportunities due to insufficient personnel with international skills;
- And 80% of the companies surveyed also expect a rise in sales if they had more internationally competent staff, according to a 2006 report by the Committee for Economic Development.

New Crucial Skills for Globally Competent Employees –

The global competition has changed the playing field for businesses. Global competence is increasingly valued in the workforce...

- A 2003 RAND study surveyed 135 Human Resource managers from 75 companies. By consensus, the most important employee skill sets were:
 - Substantive content/technical knowledge of the primary field of business,
 - Managerial ability, with emphases on teamwork and interpersonal skills,
 - *Strategic international understanding and*
 - *Cross-cultural experience*
- Cross-cultural competence ranked 5th out of 19 attributes that ‘Make a successful career professional’ according to the same study.

from the Executive level suites...

- 79% of the top 100 CEO's of British corporations had international experience, according to a 2005 survey. That number was at 42% in 1996. A prior study reported that corporations required international experience for 28% of senior-level jobs in 1995 up from 4% in 1990.

to the entry-level positions...

- 72% of employers feel that colleges need to increase the emphasis on "Global issues and developments and their implications for the future" according to a 2006 survey of 305 employers completed for the American Association of Colleges & Universities.

Study Abroad Builds Global Competence

The experience of interning, volunteering, and/or studying abroad has a long-lasting effect on students. Increasing the number of students abroad should play a significant role in building the 21st century workforce. A sojourn abroad often impacts the career choices students make...

- 76% of study abroad returnees said they "acquired skill sets that influenced their career path" and 62% felt that study abroad "ignited an interest in a career direction pursued after the experience," according to an Institute for the International Education of Students survey of over 3,500 alumni.
- 96% of business students responded that their study abroad experience had made a difference in their career plans in a separate survey.

the types of job that they seek...

- 82% of study abroad alumni surveyed responded that they were 'strongly interested or interested' in working in a foreign country, as opposed to 52% of those who had not been abroad in one college survey.

And the skills these students bring to their new employment...

- Of surveyed employers, a significant number agreed that candidates with international study experience are likely to possess key skills such as:
 - Cross-cultural communication skills (98%)
 - Independence (97%)
 - Cultural Awareness (96%)
 - Maturity (94%)
 - Flexibility (90%)
- "When questioned employers believe that [interpersonal] skills are likely to be strong in a candidate who has had an overseas education experience. The

challenge really is to more effectively link and promote this connection.” ~ From a 2004 study by the Institute of International Education and the German Academic Exchange Service (DAAD).