

The Language of Work

GLOBAL SOURCES IS the quintessential Hong Kong company. Set up in the early 1960s, the trade-magazine publisher hooked up American buyers with Asian manufacturers from its base in the territory. But in the mid-1990s, it was forced to shift its marketing and interactive-media departments to the Philippines—a difficult decision for its chairman, Merle Hinrichs, a long-time Hong Kong resident. “Hong Kong has been our home for the past 30 years and it’ll remain our headquarters,” he says. “But we just couldn’t find the English-speaking talent we needed here so we moved some of our operations to Manila.”

Hiring English speakers shouldn’t be a problem in Hong Kong, a British colony until just five years ago. It was one reason why many multinationals like Global Sources set up shop in the territory in the first place and transformed Hong Kong into a regional hub in the past few decades. But as thousands of English speakers immigrated before the territory’s handover to China in 1997 and the government forced schools to start teaching in Cantonese, English skills have declined noticeably in recent years. Now companies that had relied on Hong Kong’s bilingual talent to do business internationally are being forced to look elsewhere.

A report released last month by the Better Hong Kong Foundation, a business think-tank, found that 65% of companies surveyed said the English-language standards of job seekers were unsatisfactory. That’s up six percentage points from 59% last year. “Clearly, the standard of English usage has much room for improvement as Hong Kong strives to retain its status of being Asia’s World City,” said George Yuen, the foundation’s chief executive.

The international law firm Freshfields Bruckhaus Deringer can testify to the problem. Freshfields has tried to hire local law-school graduates every year without any success. “The quality of their English has been the biggest issue,” says Rajat Jindal, the firm’s managing partner. English proficiency is needed because Hong Kong uses the British common-law system. “To practise law [in Hong Kong], you must have a strong command of the language, especially for drawing up complicated contracts and arguing cases in court. Hong Kong graduates just haven’t been able to meet those standards,” he says.

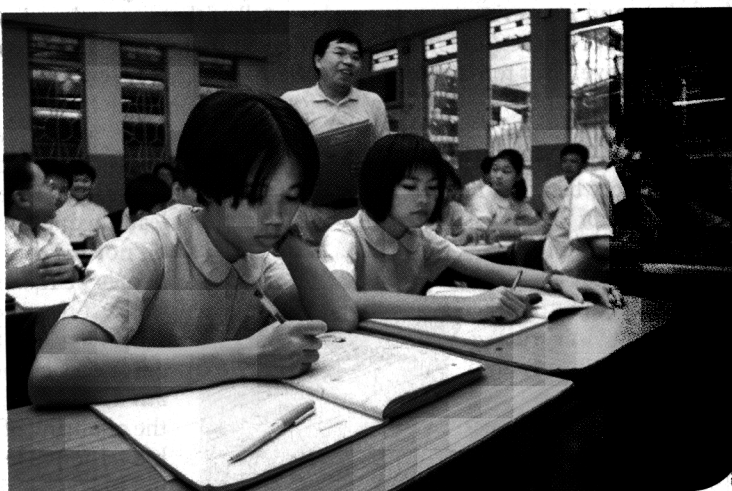
That has forced Freshfields to fill each of their openings

by recruiting from abroad. Headhunters say the cost often turns out to be the same since expatriate packages are no longer as generous as they used to be. “If it costs just a bit more for companies to hire English-fluent talent from overseas, they’ll do it,” says Dan Chavasse, director of Michael Page International, a regional recruiter based in Hong Kong. “Hong Kong candidates have to improve their English or lose their competitiveness in the market.”

It is already having an impact on the city’s employment outlook. According to a quarterly survey conducted by

“HONG KONG CANDIDATES HAVE TO improve their English”

DAN CHAVASSE,
MICHAEL PAGE INTERNATIONAL, HONG KONG



SCHOOL DAZE: To learn a language well, start young

TMP Worldwide, an executive search firm, 8.2% of companies plan to hire this quarter, up from just 3.9% during the fourth quarter last year. But don’t expect Hong Kong’s unemployment rate, which hit a high of 6.1% at the end of 2001, to drop any time soon, says Anthony Lewis, TMP’s director in Greater China. “Most of these openings are jobs that carry regional responsibilities at multinationals.

They aren’t going to go to Hong Kong candidates who can’t speak English fluently.”

Some companies are taking even more drastic measures—picking up and moving out. The Better Hong Kong Foundation found that only 48% of the 1,700 companies it surveyed now have regional headquarters in Hong Kong, down from 55% last year. Worse still, 15% of them are planning to move their operations in the next couple of years.

Of course, companies aren’t spending millions of dollars to move just because they can’t find English-speaking employees. In the end, the decision usually comes down to the bottom line—cost. The cost of doing business in Hong Kong is still the highest in the region and more than 77% of respondents to the Better Hong Kong Foundation survey say it is prohibitive.

“Between the high cost of doing business in Hong Kong and the lack of English speakers, it’s no wonder companies are seriously considering other cities,” says Global Sources’ Hinrichs. “If this continues, Hong Kong will lose its competitive advantage.”

VOCABULARY

COL 1:

the most typical kind of

q _____ (adj.)

move

s _____

changed completely

t _____

provide information showing something is real or true

t _____

senior manager

e _____

being in complete control, being fully able to do something

c _____

COL 2:

people who try to find high-quality staff
for companies

h _____

(for) someone who works outside their own
country

e _____

set of things offered together (in this passage,
benefits for an employee)

p _____

able to speak English easily and quickly

person or organisation who finds new
employees for companies

r _____

what seems likely to happen in future

o _____

effect

i _____

happening four times a year (adj)

q _____

vacancies, opportunities to get a job

o _____

companies which work in several different
countries

m _____

extreme

d _____

the most important or basic factor

the b _____

bad enough to make something impossible

p _____

not surprising

n _____

QUESTIONS

1. Why did global sources move two of its departments to the Philippines?

2. What does 'it' in line 13 refer to? (HINT: Use a phrase with a gerund)

3. What mistake did the writer make in line 18?

4. Why is it now easier for some companies to bring in employees from abroad?

5. Why is fluent English very important for company executives in H.K.

6. What is the most important reason for companies moving out of Hong Kong?