The Impact of Study Abroad on Business Students’ Career Goals

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As an increasing number of U.S. corporations position themselves for international competition, the demand for cross-culturally competent employees is expected to rise. However, reports suggest that graduates of U.S. business schools lack cross-cultural skills, prompting employers to recruit international students (Webb, Mayer, Pioche, & Allen, 1999). Despite acknowledging that cross-cultural competencies provide career advantages, reports have shown that many U.S. students are not interested in learning about other cultures (Douglas & Jones-Rikkers, 2001; Webb et al., 1999). In response, many business schools implemented a variety of strategies with varied success to internationalize their programs. These strategies included faculty exchanges, specialized courses, international topics within courses, and study abroad (Sideli, Dollinger, & Doyle, 2003).

Educators use the terms study abroad, overseas/international experience and education abroad interchangeably. However, according to the American Council on Education (2000), an “international experience” includes learning a foreign language, hosting international students, or studying, working or traveling abroad. One can broadly define international involvement in terms of a career as interacting with representatives from other cultures. This definition would then encompass careers in corporations with global strategies that do not include international posts or extended international travel for employees (Bikson & Law 1994). In these cases, international involvement might include domestic positions featuring geographic mobility, interacting with representatives from other cultures, adapting products and services to new markets, cooperating with international partners, and working with a cross-cultural team (Douglas & Jones-Rikkers, 2001).

Indiana University (IU) is a leader and innovator in study abroad with programs dating back to 1879. The Kelley School of Business (KSB) at IU recognized early on the
benefit of an international experience for its students. In 1981 the KSB implemented its first study abroad experience strictly for undergraduate business students. Since that initial program, KSB has added programs in Europe, Asia, and Mexico. KSB students may now choose from ten semester programs, three summer programs, one short-term program and a dual degree with the European School of Business in Germany.

In order to assess the validity of previous research concerning the effect of international experiences on business career outcomes, IU’s Office of Overseas Study collaborated with the KSB in 2001 on research to determine the impact of an international experience on the job search and career plans of the KSB students by comparing the career plans of students who studied abroad to the career plans of those who did not study abroad.

Researching Business Education and Study Abroad

Overseas experiences are often marketed as preparation for an international business career, a way to expand international and cross-cultural perspectives. Other proposed advantages of study abroad for business careers include increased interpersonal skills and a broadened understanding of international business practices (Henthorne, Miller & Hudson, 2001; Sideli, Dollinger & Doyle, 2003). However, research substantiating these claims is limited. According to a recent electronic sampling of institutions on the subject of ‘Outcomes Assessment and Study Abroad Programs,’ less than 10% of institutions surveyed indicated assessing career-related outcomes (Sideli, n.d.). This scarcity of data indicates a need for research examining the career-related outcomes of study abroad to provide a more extensive understanding of the impact of the study abroad experience on career goals. Furthermore, as the level of study abroad participation of business and management students increases, it is increasingly important to examine if, and how, study abroad affects business students’ career choices and aspirations. According to the 2002 IIE’s Open Doors report, the percentage of study abroad students majoring in business or management steadily has risen each year from 10.9% in 1985/86 to 18.1% in 2000/01 (a drop occurred, to 17.6%, in 2001-02). Business and management majors are now the second-largest group of study abroad students, with social science majors the largest, and humanities majors the third-largest group.

Yet, using current literature, career-related outcomes particular to programs designed for business students may be derived only loosely. These studies suggest that employers regard study abroad favorably and believe study abroad experiences develop highly-desirable skills for career advancement. Qualitative data suggests listing a study abroad experience on a resume is advantageous, and furthermore, having a study abroad experience is beneficial in increasing one’s career opportunities. A study conducted of
100 human resource managers and directors found that employers consider interpersonal skills the most important qualification for a potential job candidate (Doorbar, 2003). The same study found that employers believe that candidates who studied abroad are likely to possess strong interpersonal skills (Doorbar, 2003).

Reports indicate that students are increasingly more focused upon career-related outcomes when entering college. For instance, in 1968, the majority of students (82.5%) surveyed stated their goal for a college education was “developing a meaningful philosophy of life” (Bronner, 1998). In contrast, in 1998, the majority of students (74.9%) reported their goal for a college education was “becoming very well off financially” (Bronner, 1998), which presumes a more pragmatic educational plan. U. S. undergraduates who participated in Adams, Stivers and Bin’s 2003 study comparing American and Chinese undergraduates’ perceptions of their education placed the highest value on courses that taught them “information I can use” (p.15). Considering this more career-focused student population, international educators could use data demonstrating positive career outcomes to persuade students to study abroad.

Career-related outcomes data is also necessary to counter skepticism about the value of international programs for business education. Educators frequently criticize overseas programs promoted by business schools, questioning the educational value of programs that are typically of short duration and without a foreign language requirement (Mangan, 1997). On this topic, a headline in the Chronicle of Higher Education noted, “Critics See More Hype than Substance” (Mangan, 1997). This study seeks to understand the impact of studying abroad on business students and their career plans to determine whether study abroad experiences are all “hype,” or if they have “substance.”

Career Development Theory and Study Abroad

Most career development theories utilize stage models (Super, 1953) or explain factors involved in career choice as a rational choice (Holland, 1973). In the latter theory, individuals choose from possible career pathways, considering their skills, values, and interests. Careers, however, seem rarely to follow a simple, straightforward, and logical path. Rather, a variety of sentiments and motives, some irrational or responses to unplanned events, may influence a career path. Social learning theory takes into consideration the multitude of factors that interact to move an individual along one career path or another (Krumboltz, 1979). Under this theoretical lens, an individual will encounter numerous options regarding his or her career decisions. Internal (personal) and external (environmental) factors shape the nature and number of these options and how an individual responds (Krumboltz, 1979).
According to the social learning theory of career decision-making, four factors interact and influence the careers of individuals (Krumboltz, 1979). One of the factors, “learning experiences,” includes “instrumental” (direct) and “associative” (observational) learning, which together affect the direction of career decision-making (Krumboltz, 1979). The present study considers study abroad experiences as “learning experiences,” providing first-hand and observational learning for developing associated skills (Krumboltz, 1979). Thus, this study assumes that a positive study abroad experience will lead towards a favorable international dimension in a given career. These dimensions would include a positive outlook on working in an international capacity, the development of skills useful to international business, and entry into a career with international involvement.

**The Employer’s Perspective**

Murray’s (1999) research among employers found three main selection criteria for global companies. The first criteria is intellectual ability, which includes the ability to be a fast learner, to analyze data quickly, make objective decisions, and the ability to make broader connections between an issue and its application. Motivation is the second criteria, which is evaluated in terms of the candidate’s achievements and enthusiasm. Interpersonal skills, defined by Murray (1999) as open-mindedness to, and respect for, other cultures, are the third criteria that global companies seek in employment candidates.

Murray (1999) also predicted five selection criteria that he believed will be important to employers in the future. These include a multicultural criterion, defined as a global understanding or mindset. Murray (1999) defined a second criterion, diversity, as the ability to be diplomatic and to possess an understanding of cultural differences and different ways of thinking. A third criterion, innovation, is the ability to find new solutions and new ways of operating. The ability to be articulate and foster a holistic approach and awareness, which Murray (1999) termed engagement, is a fourth criterion. The final criterion is information technology skills that give the candidate confidence in using new technology.

**Research Questions**

To understand the correlation between study abroad and career goals for business students, Indiana University sought to determine the level, if any, of impact of studying abroad on the job search and career goals of KSB students. The following research questions guided this investigation:

1. Are business students who studied abroad more interested in positions with an international dimension than business students who have not studied abroad?
2. Do former KSB study abroad students believe their study abroad experience to be marketable while searching for jobs?

3. Does foreign language competency of KSB students affect international interest?

Methods

Research Design and Instrumentation

The researchers developed a survey instrument for junior and senior undergraduate business students to self-assess any foreign language competencies and the impact of studying abroad on their career plans. The researchers developed 28 closed- and open-ended questions and statements based upon previous study abroad and career planning research. Questions asked participants to report the following information: their immediate plans after graduation, the distance from their hometown where they are pursuing positions, whether they indicated international experiences or qualifications on their resume, and whether they brought up international experiences or qualifications in interviews.

Statements allowed participants to evaluate their level of interest on a five-point Likert scale from “Strongly Interested” to “Not Interested.” Topics included interest in working for U.S. companies with an international focus, interest in working for a multinational company with overseas offices, and level of interest in working in a foreign country. Those who indicated studying a foreign language self-assessed their level of written, spoken, and listening competency by utilizing a Likert scale of one to five with five representing fluency. Respondents who reported that they had studied abroad answered additional questions regarding their study abroad experience (housing arrangement, length of stay, reason for studying abroad and inclusion of work/internship) and the impact of their study abroad experience on their career plans. Some questions asked participants to choose one response from a list of responses, such as overseas housing arrangements (family stay, apartment/flat, dormitory), while others allowed participants to choose several responses, such as reasons for studying abroad (career advancement, travel/adventure, personal growth).

The survey instrument was administered through an Internet website whose programming guaranteed that participants could submit only one survey. A scripted e-mail message invited junior- and senior-year business students to participate in the study and asked them to complete an on-line survey, directing them to the website link. Those who did not complete the survey after the initial e-mail received a second e-mail approximately 14 days later, requesting that they complete the survey. Since participants completed the study on-line, response data was directly entered into a data file.
**Population**

Many Kelley School of Business students pursue an international experience primarily to fulfill the KSB curriculum’s International Dimension Requirement (IDR). In order to satisfy this requirement, which was implemented in 1998, business students must complete six credit hours of an international dimension in one of four categories: 1) foreign language; 2) international business and economics coursework; 3) area studies coursework; or 4) participation in a minimum six-credit overseas study program. The IDR directly contributed to the growth in numbers of business students who choose to study abroad. Currently, over a quarter of 1,300 Indiana University (IU) students who study abroad are students from the Kelley School of Business (27% in 2002). In addition to the IDR, students can choose to further internationalize their degree by majoring in international business. The international business major requires students to enroll in six credit hours of foreign language and a minimum of six credit hours of study abroad. Students can also choose to complete the general education requirement by specializing in global studies or a language.

The Kelley School of Business enrolls approximately 4,000 students, of which 60 percent originate from states outside of Indiana, and over 200 students from 32 different countries. The population for this study included approximately 2,000 junior and senior KSB students. Due to the KSB course prerequisite structure, the vast majority of KSB students study abroad during their junior or senior year, leading the researchers to distribute the survey only to junior- and senior-level students. Also, juniors and seniors are typically more focused on their job search than freshmen and sophomores. During the three-week collection period, 231 participants completed the survey, a 12 percent response rate. The average respondent was 21 years old and held senior-class standing.

**Data Analysis**

The researchers excluded 33 responses from international students (who indicated holding an F-1 or J-1 visa) because the study considers only American students studying overseas. The 198 remaining survey responses were sorted to distinguish between students who participated in a study abroad experience of six weeks or more and those who did not study abroad. The researchers defined an international experience as attending a program offered through KSB study abroad programs or IU-approved program providers, including study and internships abroad. Raw numbers of responses to each question were tallied, and percentages based on these numbers calculated to enable comparisons between the survey participants’ perceptions of the impact of study abroad on their college experience and career plans, and their ability to translate these experiences into their actual career plans and job interviews.
Findings

For the most part, the findings matched anecdotal evidence that students who studied abroad were more open to additional international experiences in their careers, and thus tailored their job searches to further that goal. Of the 198 respondents, 83 (42%) studied abroad. Of the participants who had studied abroad, 96% responded that their study abroad experience had made a difference in their career plans. The level of reported impact ranged from 14% saying that studying abroad made a minor difference in their career plans, 27% reporting it made a moderate difference, 35% reporting a notable difference and to 20% reporting a significant difference (Figure 1). One student, after indicating that her study abroad experience made a notable difference in her career plans, stated that:

(S)tudying abroad in Europe has enabled me to expand the possibilities for internship locations for this summer. Currently I have taken an offer to intern for Volvo (AB Volvo) in Eskilstuna, Sweden. If I had not traveled abroad, I feel the chances of me obtaining this fortunate internship opportunity might not have been possible.

Another student who reported a significant difference in her career plans as a result of study abroad wrote the following concerning her immediate future: “The study abroad experience created the desire to work abroad. Ideally, I would like to work two years abroad… but eventually settle down in the U.S.”

Figure 1: Reported impact of study abroad on career plans of KSB students

<table>
<thead>
<tr>
<th>Minor Difference</th>
<th>14%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moderate Difference</td>
<td>27%</td>
</tr>
<tr>
<td>Notable Difference</td>
<td>35%</td>
</tr>
<tr>
<td>Significant Difference</td>
<td>20%</td>
</tr>
</tbody>
</table>

Thirty percent of KSB students who studied abroad and 25% of those who did not reported that they had received or accepted an offer of employment. Of the remaining students, 53% of those who studied abroad and 52% of those who did not reported they would seek employment after graduation. Ninety-four percent of respondents who had studied abroad reported having an interest or strong interest in working for U.S. companies with an international focus, and 93% of the same respondents reported having an interest or strong interest in working for a multinational company with overseas offices. Eighty-three percent of study abroad participants reported either an interest or strong interest in working overseas, while only 51% of non-study abroad participants reported an interest or strong interest in working overseas (Figure 2).
Figure 2: Reported interest of KSB students in working in a foreign country

<table>
<thead>
<tr>
<th>Strongly Interested</th>
<th>Studied Abroad</th>
<th>Did not Study Abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>41%</td>
<td>17%</td>
</tr>
<tr>
<td>Not Interested</td>
<td>11%</td>
<td>31%</td>
</tr>
<tr>
<td>Undecided</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Strongly Not Interested</td>
<td>0.01%</td>
<td>12%</td>
</tr>
</tbody>
</table>

In translating their study abroad experiences to job searches, 78 of the 83 study abroad participants included study abroad experiences on their resumes (Figure 3). Seventy-nine percent of participants reported that they spoke about their international experiences in job interviews.

Figure 3: KSB students listing international experiences or qualifications on resume

<table>
<thead>
<tr>
<th></th>
<th>Studied Abroad</th>
<th>Did not Study Abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Abroad</td>
<td>94%</td>
<td>2%</td>
</tr>
<tr>
<td>Foreign Language Competency</td>
<td>36%</td>
<td>28%</td>
</tr>
<tr>
<td>Internationally-Related Coursework</td>
<td>31%</td>
<td>24%</td>
</tr>
<tr>
<td>International Work or Internship Experience</td>
<td>25%</td>
<td>4%</td>
</tr>
<tr>
<td>International Travel</td>
<td>47%</td>
<td>17%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>None</td>
<td>0%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Figure 4: KSB Students mentioning international experience or qualifications in job interviews

<table>
<thead>
<tr>
<th></th>
<th>Studied Abroad</th>
<th>Did not Study Abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Abroad</td>
<td>79%</td>
<td>4%</td>
</tr>
<tr>
<td>Foreign Language Competency</td>
<td>79%</td>
<td>4%</td>
</tr>
<tr>
<td>Internationally-Related Coursework</td>
<td>24%</td>
<td>5%</td>
</tr>
<tr>
<td>International Work or Internship Experience</td>
<td>19%</td>
<td>4%</td>
</tr>
<tr>
<td>International Travel</td>
<td>51%</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>None</td>
<td>81%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Of the 198 total respondents, 63 included language competencies on their resumes; the three languages that most participants studied were Spanish, French, and German. All participants, both study abroad and non-study abroad, reported that their foreign language comprehension, spoken comprehension, and reading comprehension averaged around three (rated on a scale from one as the lowest level of comprehension to five signifying fluency). The average level for students who had studied in a country.
whose language they had studied rose to around four for all three languages. Although several non-study abroad students indicated all fives for their comprehension level, none of those who studied abroad in a non-English speaking country rated themselves as all fives. The majority of students who studied French and German through on-campus courses chose to study abroad in English-speaking countries, instead of honing their language skills by studying in France or Germany.

Discussion

One of the conclusions that can be drawn from this survey is that KSB business students who studied abroad express more interest in positions with an international dimension than those who did not study abroad. The most illustrative findings were that 96% of study abroad respondents indicated that it affected their career plans and 94% are at least interested in working for a U.S. company with an international focus. Whereas 82% of respondents express an interest in working abroad, only 51% of non-study abroad respondents hold a similar interest. Another revealing finding is that 58% of the respondents stated that they are actively pursuing positions in foreign countries. The following two quotes from respondents further illustrate these findings:

I would definitely be interested in traveling and working abroad if that option was given to me. Before I would not have really considered it.

After studying abroad, I realized that I had to work for a multinational company because I became so fascinated with globalization and the interactions that occur between cultures and societies that can be so different in many ways but interact in business terms. I want to be a part of these interactions.

Many study abroad participants recognized that they had gained marketable skills and grown personally because of their study abroad experience. For example,

As most adults realize, studying abroad is not necessarily about learning regular course material in a foreign country, it has more to do with experiencing and personal growth. I feel as though my experience has given me a significant advantage in the business world over my peers due to the intangibles of life that cannot be taught, but rather experienced.

The skills correlate with the selection criteria outlined by Murray (1999), such as the ability to acquire a holistic perspective:

It was a chance to learn something about myself, America, Americans, worldview, new culture, how people work in other cultures, how to blend in to a new setting, have complete independence, and get away from campus life.
Other students were innovative in finding new ways to manage daily life and problem solving within an unfamiliar cultural context. For example, one respondent stated:

It proved invaluable … what I have learned specifically in classes may not carry over to what I will end up doing in the future, but the experience of learning to live in another culture taught me more about myself and how to adapt than anything else in college ever would have.

Communication skills are obvious skills gained while abroad. As Murray (1999) noted, employers are cognizant of students who can communicate in cross-cultural and diverse settings. Many of our students recognized that they had gained this skill:

It taught me a new way of looking at the world. I am much more accepting of differences now and more patient with international students who have trouble speaking English because I didn’t know any of the languages of the places I traveled.

My perception of other people’s cultures has been broadened. I have had the opportunity to meet people from all around the world and discuss differences. I have become stronger mentally and have had more time to think about important things in my life so that I can direct my future path to fit me as well as possible.

A final skill gained while abroad is open-mindedness and respect for other cultures. Students recognized this as a skill that they have learned and can articulate:

I not only learned about another language and culture, I learned to be very open-minded, which is not something I would have gained from simply living the college life.

Studying abroad changed my life in more ways that I could possibly explain. It’s one of the best decisions I’ve ever made and the greatest experience of my undergraduate program. I think differently now and have been exposed to so much in the world. I feel I can offer varied and more thoughtful ideas and participate in meaningful discussions.

It is also clear that not all of KSB students maximize the pragmatic significance of their international experiences. One would expect all study abroad participants to list it on their resume and initiate conversation about their study abroad experience in interviews, but that is not the case as evidenced in the findings. The survey asked students if they prompted consideration of their international experiences in interviews. The 20% of them that did not do so may not recognize that they have acquired marketable skills while abroad or know how to articulate examples of these skills
gained while abroad. However, of the 80% of study abroad respondents who spoke about their study abroad experience in interviews, many articulated the marketable skills they gained while studying abroad:

During my interviews I was asked many times about my international experience. I think the stories and the experience I had from this opportunity was very appealing to the professionals that interviewed me.

Having gone abroad has helped in my career plans in that it has been a great topic to discuss in interviews. Recruiters see it on my resume and ask how the experience helped me grow and change as a person.

Finally, two interesting findings occurred concerning foreign language competency and whether it affected a student’s international interest. Students who studied abroad evaluated their language level more critically than those who only studied a foreign language on the home campus. For example, some students studying domestically indicated all fives for their comprehension level, whereas none of the participants studying abroad in a foreign language rated their comprehension as highly. This finding can be attributed to the experience of practicing, applying, and testing foreign language competence by living the language in the study abroad setting. Next, most of the KSB students who studied a foreign language prior to going abroad chose to study in English-speaking locations, especially those who had studied German and French. The following two students who studied abroad in a foreign language expressed the following:

Studying abroad is a time for personal growth. It is a personal test as to how one is able to adjust to a totally new culture, new environment, etc. In my opinion, studying abroad for even just one semester can impact a student more than several semesters’ worth of international awareness or international business courses within the borders of the United States ever could. Having a high level of fluency however, does obviously impact ones’ experience abroad (in that some people try to study abroad not knowing much of the language and then fail to put forth the effort to learn more and not speak English while abroad).

The fact that I speak Spanish fluently has helped me in my job search and made me more attractive to recruiting companies. I have always known that I wanted to do something with business and Spanish, which is why I came to KSB in the first place.

Conclusions

In conclusion, business students who have studied abroad are more open to internationalizing their careers. These students, due to the skills that they acquired
while abroad, are the types of professionals that employers seek for international assignments and even for domestic assignments that require a degree of cross-cultural competency. Simply by deciding to leave their comfort zone and live in another culture, students who study abroad take on a challenge, which, once accomplished, they can translate later to other circumstances necessitating the ability to be open-minded and show initiative.

The survey made it clear that KSB students should be advised, whether by business educators or study abroad professionals, how to bring their international experiences to the forefront on resumes and cover letters, in interviews, and while networking. The study abroad experience should be described in terms of meaningful learning outcomes. Simply noting how much fun one had while abroad without focusing on the educational aspects only perpetuates the myth that study abroad is a “semester off” without educational value. Articulating the skills they have learned while abroad will aid business students in acquiring the type of position that they seek and it will also help educate employers that study abroad returnees possess skills that they are seeking in candidates. An emphasis on skill outcomes is advantageous to both student and employer.

Study abroad advising for business students should focus on the skills students will acquire while overseas, and incorporate this focus in all phases of the advising experience: in pre-departure orientation, during the study abroad experience through electronic newsletters, and during reentry briefings. Advisors can teach students appropriate language to reflect positively on their study abroad experience. For example, before students leave, advisors can ask them to reflect on how their international experience may fit into long-term career goals. Advisors can encourage students to record their experiences, so that skills that they have acquired or enhanced while abroad can be identified. Finally, when students return, re-entry programming should teach business students to maximize the study abroad experience in a job search, by articulating it on a resume. Simple strategies would include elevating the educational significance of study abroad by listing it as part of the education history on their resume, rather than as an activity. Additionally, students can list specific skills and competencies they acquired or improved while abroad, including: foreign language proficiency; enhanced cultural awareness and sensitivity to customs and cultural differences; ability to work in cross-cultural teams and function in ambiguous environments; increased confidence, initiative and independence; greater flexibility and adaptability; ability to maintain an open mind and be tolerant of others; and problem solving and crisis management skills.

Along with instructing returning business students to articulate their international experience on their resumes, re-entry workshops for business career-oriented students can also focus on interview techniques that highlight study abroad. In one such exercise, returning students are divided into small groups, in which they brainstorm answers to the following questions:
I. While abroad, did you:

- Complete a specific project or conduct research applicable to your field of interest?
- Travel independently?
- Learn to work with a more diverse group of people than you had previously been exposed?
- Resolve a conflict based on misunderstandings or cultural differences?
- Learn new skills, activities, languages, or hobbies?

II. Was there a time when you were abroad that you:

- Dealt with uncertainty or ambiguity?
- Confronted a challenging situation?
- Had to handle conflict?
- Had to learn something new?

With these strategies in mind, business educators and study abroad professionals can successfully educate business students to be cognizant of the educational gains they have made in studying abroad. In turn, business students can refer to these gains in their job search and throughout their career. The more employers recognize that former study abroad students possess skills, knowledge and perspectives learned beyond campus walls, the more employers will seek out these students in their search for employees who can meet the challenges of working in an increasingly intercultural world.

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