

# Panel on Corporate Collaborations with Higher Education for Enhancing U.S. Global Competitiveness: *Summary Report and Recommendations*

By **Mark J. Ballam, Rapporteur**

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## Panel Members

Chair: **Richard Drobnick**, Director, Center for International Business Education and Research, Marshall School of Business, University of Southern California

Rapporteur: **Mark J. Ballam**, Managing Director, Center for International Business Education and Research, San Diego State University

Panelists:

**Craig Allen**, Deputy Assistant Secretary for China, U.S. Department of Commerce

**Gary L. Clinton**, Advisor, University of North Carolina Center for International Business Education and Research, and Global Business Projects Citigroup Inc., Managing Director (ret)

**Roy Paulson**, President, Paulson Manufacturing Corporation; Member, President's Export Council, Subcommittee Export Administration; Chair, National District Export Council

**Silke Scholz**, Product Specialist, Hexagon Metrology, Inc.

The purpose of this panel was to hear from various stakeholders in business and government and learn what strategies and structures are in place for successful collaborations between higher education and business/government sector to help train a competitive workforce.

**Silke Scholz** reviewed her company profile and her corporate responsibilities. She reviewed her company's need for team members with global perspective and international experience. Hexagon Metrology, Inc. is a global company with global customers. Their global headquarters is in London. They have twenty production facilities (U.S., Brazil, China, India, Japan, Israel, Germany, France, Italy, Spain, UK, and Switzerland) and seventy "solution centers" around the world. In reviewing her company profile, Silke reiterated the need for her company to have team members who possess a global perspective, can navigate and succeed in an organization made of people from different cultures and speak different languages.

Hexagon Metrology, Inc. collaborates with the University of Rhode Island to offer engineering students local internships, internships abroad and research opportunities. She reviewed the value that these opportunities offer students and her hiring managers. Specifically, interns indicated that international work experience at a global company

played an important role in getting hired after graduation. Likewise, the company also understands the value these interns bring to the organization and are currently working on a corporate strategy to collaborate with universities for talent recruitment in the future. Moreover, they recommend their company's approach and model to any organization that operates abroad or globally.

**Roy Paulson** briefly reviewed his two companies. One company is located in Temecula, California, the other in Frankfurt, Germany. Paulson Manufacturing designs, manufactures and inspects eye and face protection gear. Paulson products are sold globally in 80 countries using a strong distribution network.

Currently, Paulson Manufacturing partners with universities by providing opportunities for student interns who are studying business, engineering and physics. Interns are paid and required to work in many areas in the company in order to broaden their knowledge and better understand the entire business operation.

Roy understands that communication is the key to understanding customers and credits his companies' success to this business approach. He tries to instill this philosophy with his workforce.

Examples about communication:

1. Ukraine/Russia

We could have been better prepared and have had a better perspective if we didn't pull back resources from Eastern Europe. Due to current conflict with Russia regarding the Ukraine, Paulson's business is severely cut off.

2. Gary Locke in China; he was not able to speak Mandarin.

Paulson currently uses a factory in China, employing 160 people and increasing overseas sales because of communication.

**Gary Clinton** has a 39-year career in banking with several years focused on international work. Currently serves as an advisor/mentor with the CIBER Global Business Project (GBP) managed by the CIBER at University of North Carolina – Chapel Hill since 2008. The GBP organizes real consulting projects at American firms with operations abroad for MBA students from across the country. The program offers an ideal collaboration between students and companies. Students work in teams and are guided by business professors. All business skills and language skills are incorporated into the project. Students gain consulting skills and project management skills. Clients receive high quality consulting work at a low cost. Students also spend two weeks on the ground in the companies' overseas operations learning language and culture. This program is unique in that it allows students valuable experience that they might not get on their own, and often leads to job placements later. Also, students get an opportunity to work with their peers (students) from other universities.

Currently, the major issue is cost. Cost per project is about \$50,000. Clients are asked to pay about \$15-25,000; students pay a fee; and CIBERs also pay a fee.

Suggestions for program expansion: There is need for broader access to companies, as well as to establish working relationships with American Chambers of Commerce, Department of Commerce and other trade/business organizations.

Questions/thoughts: Intercultural issues/aspects/benefits of working with local staff. In addition to learning the local language, students learn to speak English in a way that locals can understand them better.

**Dick Drobnick** noted that USC offers a similar program for MBA students. Client companies pay \$25,000 per project.

**Craig Allen** is a public servant, diplomat and trade negotiator. Language study and international affairs knowledge is of utmost importance in his view. He gave several examples of how allowing our language capabilities to atrophy have forced us to use translators in many important negotiation sessions, which he sees as a sign of weakness.

He raised several questions/problems when companies are forced to hire and use translators from other countries:

Who does the translator work for? (Even though U.S. government pays them.)

What is their motivation? (Create more need for translation work?)

Can they further or hinder the negotiations?

It is customary to give copy of comments to translators the day before. (This helps the translator, but also helps other side.)

Craig stated that the Commerce Department loves internships, working with MBA programs across the U.S., participating and speaking engagements at conferences and seminars. Currently, Commerce has about 200 interns at a time (unpaid).

He noted that CIBERs help to organize several important conferences: APBO, ACCESS, other conferences when Sr. Commercial Officers come to speak directly with businesses interested in trading throughout the world.

He never hires an American without language skills. He stated that the main problem they have right now is very low diversity. Specifically, he said he would like to see more minorities with language (especially Chinese) skills.

### *Question and Answer Session*

*Question to panel:* What ideas do you have to help ensure that we have qualified talent?

### *Responses:*

Roy stated that while we want to continue to double exports, we should understand that we will soon run out of people qualified – therefore we must continue to develop/educate.

Craig stated that it is expensive to train middle-aged people (especially with languages); therefore it's important to address/train earlier.

Gary suggested that there is need to get communication out about GBP so that more U.S. companies can access the program.

Dick suggested that business schools and companies should recruit returning Peace Corps volunteers.

*Question to panel:* How do you help students see the value? *Response:* Create registered apprenticeship programs at community colleges.

*Question to panel:* Do people in Commerce speak to people in the Department of Education and convey important needs (e.g., for language). *Response from audience:* “No.” Panel recommends that there be more and more meaningful dialogue between these two federal agencies.

The panel noted that funding from the Department of Education allows universities to do things/try new things in teaching and research that they wouldn't otherwise be able to do. They also argued that grant funding provides a balancing/access effect, drawing in typically underserved communities to participate in these training programs.

### **Policy Suggestions/Recommendations:**

- The U.S. business sector needs to forcefully communicate their needs for and the value to economic growth of more Americans with language, cultural and overseas experience and skills. This needs to be broadcast to policy makers, the education sector and the public.
- Apprenticeship and internship programs for U.S. students in international business, language and culture should be expanded throughout the U.S. business school community. There is a need for broader access to businesses to engage them in the enterprise, which speaks to getting the U.S. business organizations engaged in our issues.
- The Department of Commerce should increase communication with the Department of Education about our issues. There must be clear goals for our students so that they may best contribute to the American labor force.