



Trends Survey of TOEIC® test Utilization 2007

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Notes :

1) The Institute for International Business Communication conducts a regular mail survey ("TOEIC Utilization Surveys") of businesses, organizations, and tertiary educational institutions in order to quantitatively analyze their TOEIC utilization. The data contained in this publication are excerpts from the "Trends Survey of TOEIC test Utilization 2007" in the business and academic arenas, in which the responses were received from 345 companies (for the January 2007 survey) and 306 educational institutions (for the November 2006 survey, including individual faculties and departments).

2) For inquiries on the reprinting or publishing of data, please contact:
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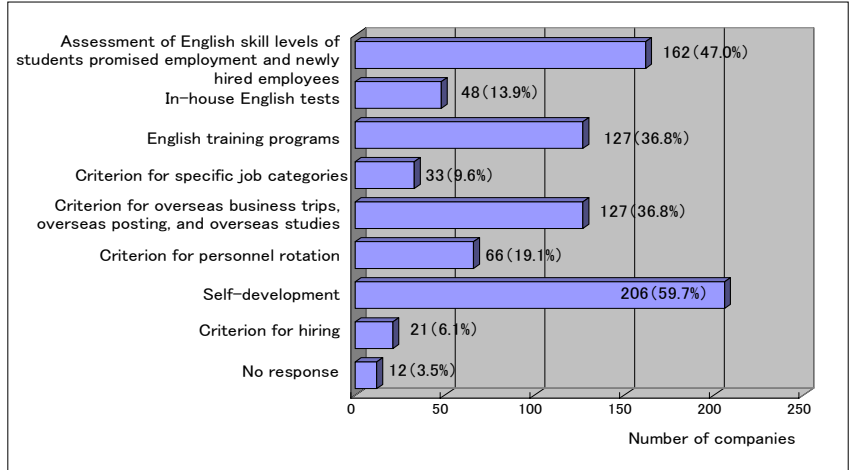
Questionnaire survey (for businesses)

- Survey period: January 2007
- Valid responses: 345 companies and organizations
- Respondents: companies and organizations that utilize the TOEIC test

1) TOEIC® Score Utilization

(multiple responses)

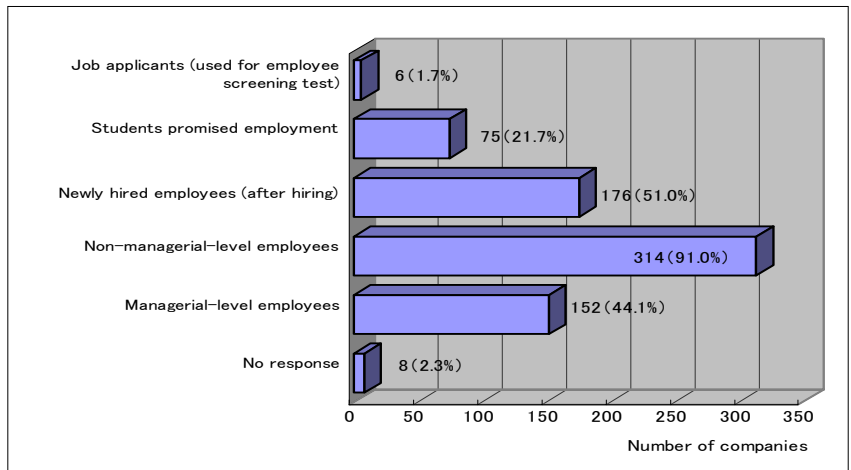
As was the case last year, the highest number of companies (206 companies or 59.7 percent) said that they use TOEIC as a means for employee self-development. The next most frequently mentioned reason, chosen by 162 companies (47.0 percent), was to gauge the English proficiency of new employees (including students promised employment). In the previous survey, 40.5 percent of the companies surveyed that mentioned that reason, reflecting the increasing use of TOEIC as a means to assess the English skill levels of new employees.



2) Target Examinees

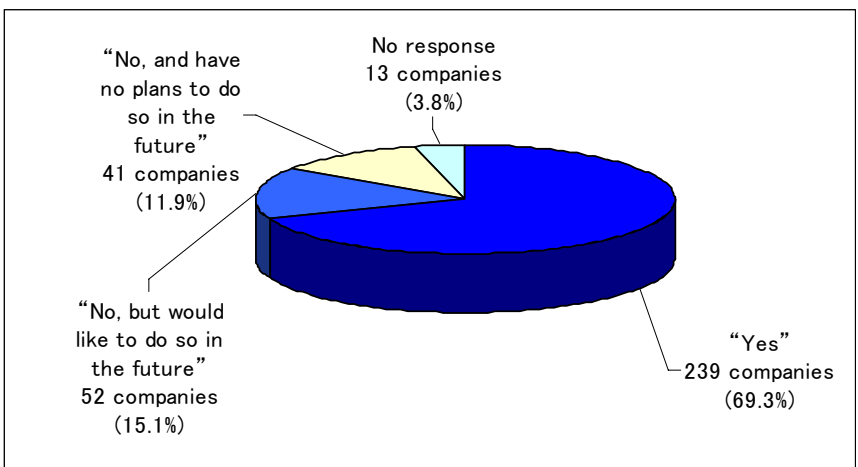
(multiple responses)

The largest group of test-takers consisted of non-managerial-level employees, followed by newly employed workers. When the “new employee” category was expanded to include applicants for employment as well as students promised employment, as many as 257 companies use the TOEIC test in that manner. This is a high figure even when compared to regular and managerial level employees. These figures suggest that the increasing globalization of business has resulted in companies placing high expectations on their new employees.



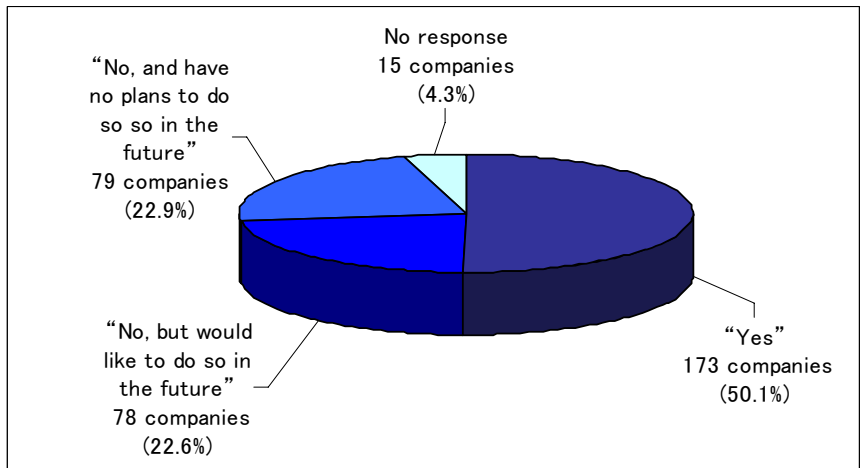
3) Are records of TOEIC® score kept on file?

Records of TOEIC scores were kept on file in the human resources department of 239 companies, or 69.3 percent. This was a 3.1-point increase over the results in the previous survey (66.2 percent), which indicates that this practice is becoming increasingly common. An additional 52 companies responded they do not keep records at present but would like to do so in the future, bringing the total to 291 companies (84.3 percent). The results reflect the rising importance of employees' English proficiency as a factor underlying the development of a company's business.



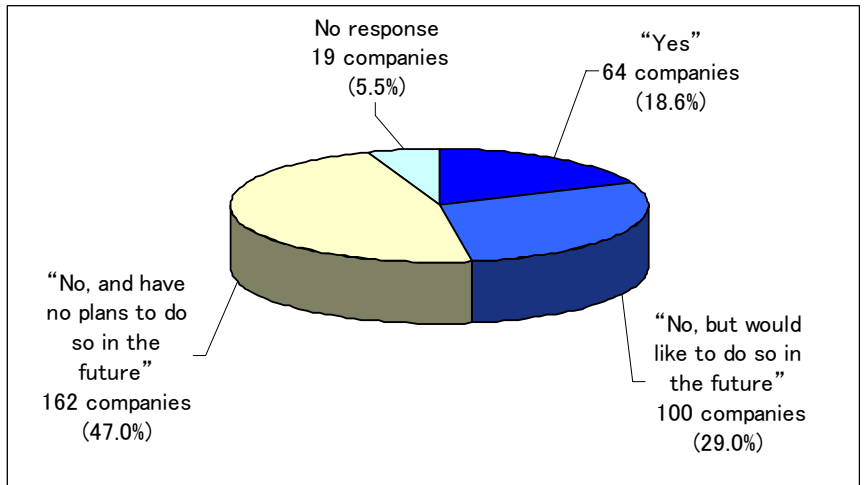
4) Are TOEIC® scores being taken into consideration for employee assignments?

A majority of companies (173 companies or 50.1 percent) responded that they do take the scores into consideration. This percentage was a major increase over the last survey (43.7 percent), which suggests that TOEIC scores are taken into consideration for a wide range of assignment decisions. When combined with the additional 78 companies (22.6 percent) that do not take scores into consideration at present but would like to do so in the future, the total comes to 251 companies (72.7 percent). This means three out of every four companies are adopting a positive approach towards utilizing TOEIC scores.



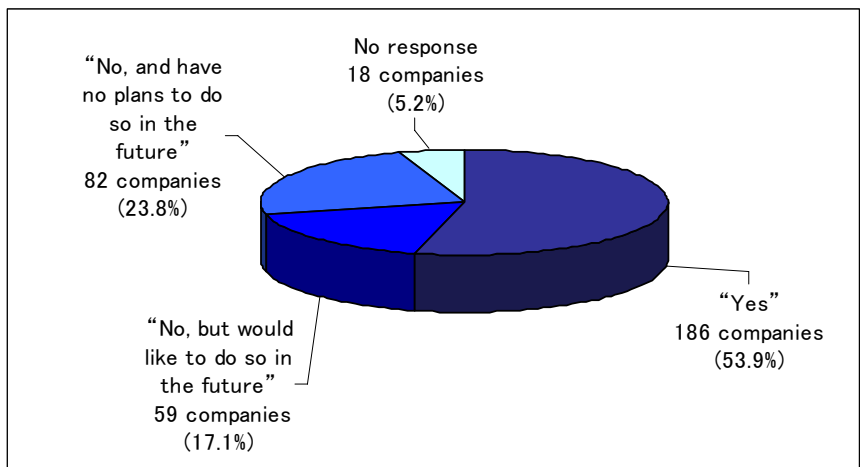
5) Are TOEIC® scores being used as a requirement for employee promotions?

Sixty-four companies (18.6 percent) responded that they use TOEIC scores as a requirement for promotions. This result was approximately the same as for the previous survey (18.8 percent). Combined with the 100 companies (29.0 percent) that do not use TOEIC scores as a requirement at present but would like to do so in the future, the total comprises a majority of the companies that responded to the survey. As corporate activities become increasingly globalized, there is likely to be a high latent need for TOEIC score utilization as a requirement for promotion.



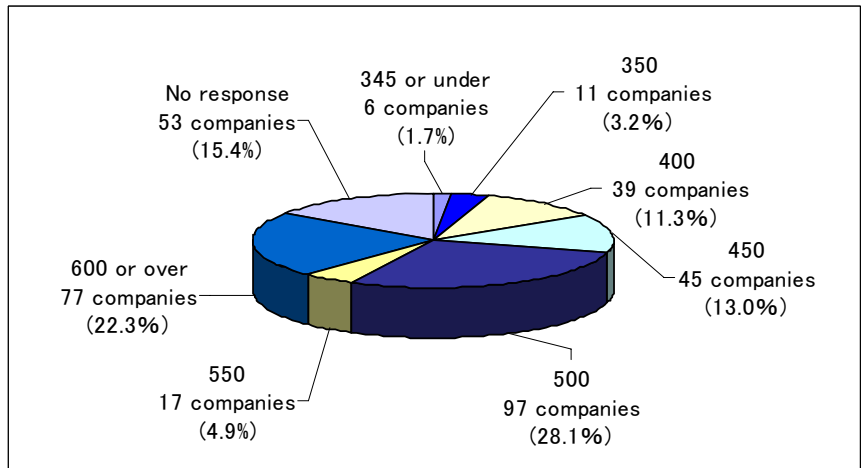
6) Are TOEIC® scores being used as a hiring criterion?

A majority of companies (186 companies or 53.9 percent) responded that they take TOEIC scores into consideration. Combined with the 59 companies (17.1 percent) that do not take the scores into consideration at present but would like to do so in the future, the total comes to 245 companies (71.0 percent). This result suggests a large number of companies place importance on TOEIC scores as one of the key factors in the hiring process. There is no doubt that being able to identify a potential employee's English skill level prior to hiring him or her makes a great deal of sense to a company in terms of human resources management.



7) Expected Scores of new recruits

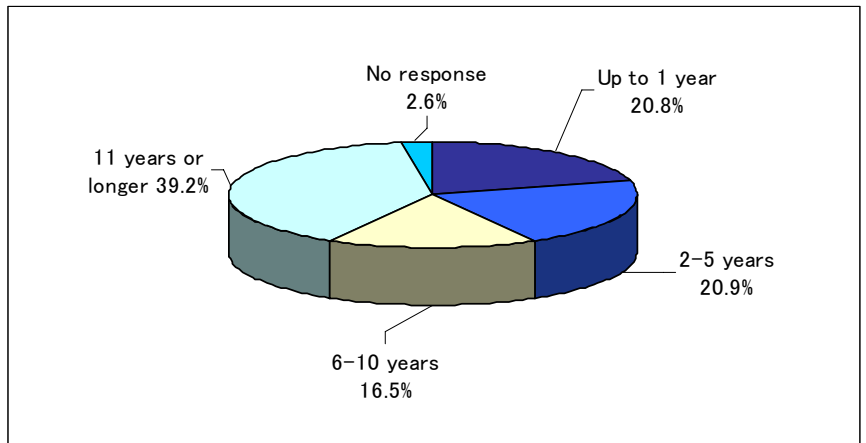
As in the previous survey, the highest number of companies (97 companies or 28.1 percent) listed a TOEIC score of 500 as the score they expect new employees to achieve, followed by 600+ (77 companies or 22.3 percent). In the previous survey, the number of companies that expected a score of 600+ was smaller than the number that indicated a score of 450. However, in the present survey, there was a 7.5-point rise in the number of companies expecting 600+. By contrast, the number of companies expecting a score of 450 was 45 (13.0 percent). This is a 3.2-point decrease compared to the results of the previous survey (16.2 percent).



Analysis of 2006 IP test data (businesses)

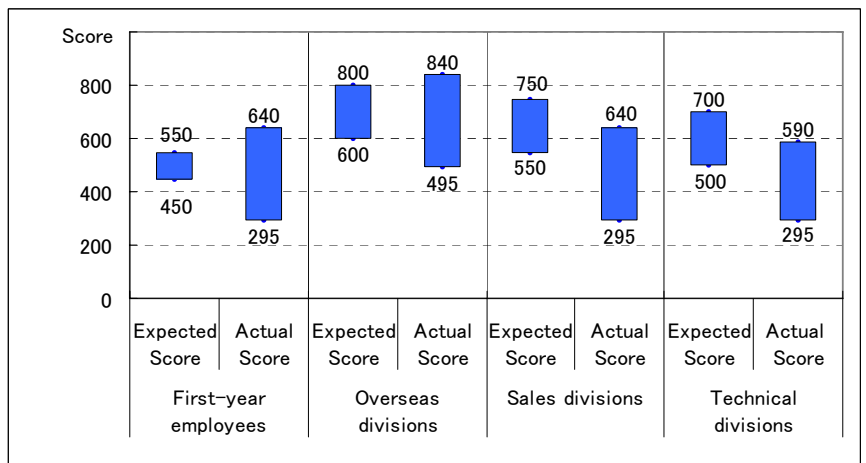
8) Number of years with a company

The single largest group of test-takers was employees with 11 or more years of employment at a company, followed by those with between 2 and 5 years. Compared to the results of the previous survey, there was a 3.4-point rise in the percentage of first-year employees (17.4 percent in the previous survey). The percentage of first-year employees and those with 2 to 5 years of service together was 41.7 percent of the total test-takers (compared to 38.1 percent in the previous survey), reflecting the efforts on the part of corporations to improve the English proficiency of their younger employees with 5 or fewer years of service.



9) Expected and Actual TOEIC® Scores

In the case of first-year employees and employees at overseas divisions, the maximum actual score exceeded the maximum expected score. However, for employees in the sales and technical divisions, the maximum actual score fell far short of the maximum expected score. In addition, in all divisions the lowest actual score was much lower than the lowest expected score. Improving this situation is likely to be one challenge facing companies as they conduct their businesses on a global level.

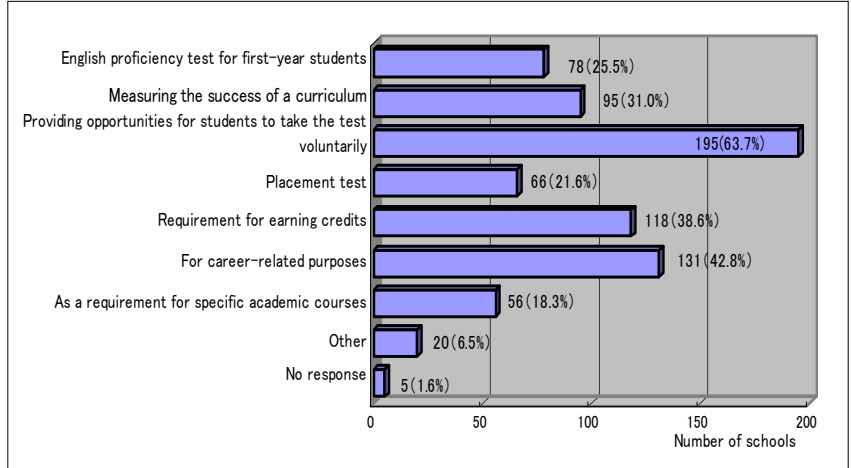


Questionnaire survey (for educational institutions)

- Survey period: November 2006
- Valid responses: 306 educational institutions
- Respondents: Universities, junior colleges that utilize the TOEIC test

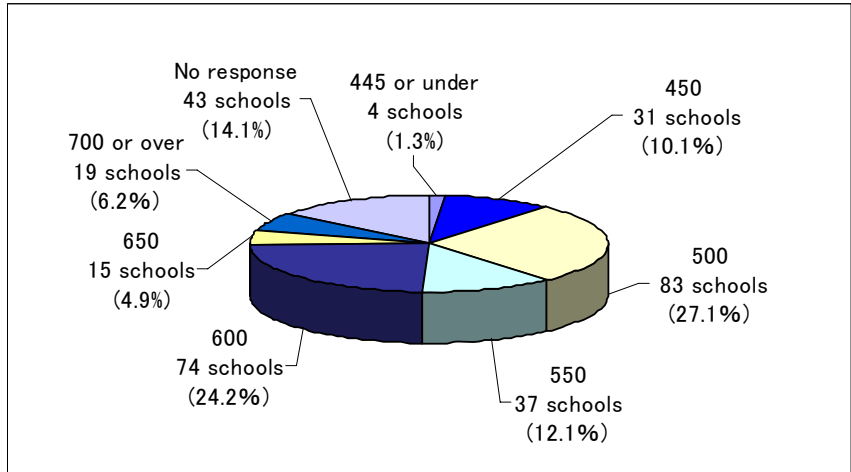
10) Purpose of TOEIC® utilization (multiple responses)

The highest number of schools (195 schools or 63.7 percent) responded they use the TOEIC to provide students with opportunities to take the test voluntarily. The next most frequent reason mentioned was for career-related purposes such as job-hunting (131 schools or 42.8 percent). These figures indicate the validity of the TOEIC score as a type of qualification and reveal that over 40 percent of the schools consider English proficiency to be indispensable in the business world.



11) Expected Scores of students for career-related purposes

The highest number of schools (83 schools or 27.1 percent) responded they expect their students to achieve a TOEIC score of 500 for job-hunting purposes. Schools expecting a score of 500, 550, or 600 (194 schools) made up 63.4 percent of the total. While more than a few schools responded they expected 650 or 700+, it seems that the 500 to 600 range is something of a benchmark for students seeking employment.



12) Are TOEIC® scores utilized for student accreditation?

Fifty-one percent of schools responded they utilized TOEIC scores for student accreditation. This was as much as a 7.5-point increase over the results of the previous survey, indicating that one in every two schools utilize TOEIC scores in their credit-granting process. The combined total of schools that now utilize the TOEIC and those who wish to do so in the future came to 220 schools (71.9 percent). The fact that over 70 percent of the schools surveyed have a forward-looking attitude in regard to TOEIC utilization demonstrates the high level of trust in the TOEIC test.

