

## BUSINESS COMMUNICATION IN ECONOMIC INTERACTION AND SOFT SKILLS DEVELOPMENT

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*На етапі глобалізації ділова комунікація стає ключовим елементом для успішної взаємодії в економічному та бізнес середовищі. Такі навички, як ефективно спілкування, активне слухання, вирішення проблем, командна робота та лідерство, є фундаментальними для успіху в діловому світі. Принциповим для навчальних закладів є формування м'яких навичок в процесі навчання для успішної інтеграції здобувачів у конкурентний ринок праці. В статті розглядається сутність та значення ділового спілкування в економічному середовищі, взаємозв'язок з діловим етикетом. Досліджена взаємозалежність між формуванням м'яких навичок та академічною успішністю, структуровані сучасні методи навчання м'яким навичкам в процесі вивчення іноземної мови та потенційні методи оцінювання. Визначено ключові навички спілкування, необхідні для ефективно комунікації в економічному та діловому середовищах.*

***Ключові слова.** ділова комунікація, діловий етикет, економічне середовище, економічна співпраця, м'які навички, академічна успішність*

**Problem statement.** Many students currently lack the soft skills necessary to communicate effectively in economic interactions. Business communication plays an important role in economic interactions, and students who lack essential soft skills may face difficulties in their professional careers. Soft skills such as effective communication, active listening, problem solving, teamwork, and leadership are essential to succeed in the business world. However, many students do not receive adequate training in these skills during their academic years, making it difficult for them to develop these skills once they enter the workforce. This problem is further exacerbated by the fast pace of the modern business world, where effective communication and soft skills are critical to succeed. This is why educational institutions need to incorporate soft skills development training into their curricula to ensure that their students are fully prepared for the business world.

**The review of recent research and publications.** Many studies highlight the importance of soft skills in the modern workforce. According to a World Economic Forum report (2020), soft skills such as communication, collaboration, and critical thinking are increasingly important in the labor market. Similarly, a study by Burning Glass Technologies (2017) found that soft skills are mentioned more often than technical skills in job postings [1]. A study by Cullen found that incorporating soft skills development into the curriculum can improve students' academic performance and job readiness [2]. Verhun L. stated that business etiquette and protocol awareness help create an efficient business environment, which enhances productivity and cooperation [3]. However, there are challenges associated with teaching soft skills to

students. A study by Dallimore et al. [8] found that traditional teaching methods may not be effective in developing soft skills in students. Instead, they recommended using experiential learning methods, such as simulations and role-playing exercises, to teach soft skills effectively [4].

**Research methodology.** The theoretical and methodological basis of the research was the analytical method, which is the basis for the study scientific sources using a systematic analysis of the work of native and foreign practitioners. In the research process, general theoretical methods of generalization were used, structural analysis and classification. A combination of research methods was applied to provide a comprehensive understanding of the relationship between business communication in economic interaction and students' soft skill development. Among them are literature review in order to examine existing research on the topic provide a comprehensive overview of the subject and identify gaps in the existing research. The method of observation to identify best practices for teaching soft skills and assess the effectiveness of current teaching methods.

**Objectives of the research.** The objectives of the paper are to study the relationship between soft skill development and academic performance, to examine the current methods used to teach soft skills to students and assess their effectiveness; to identify the key soft skills required for effective communication in economic interactions and raise awareness among students, educators, and policymakers about the importance of soft skills development for success in the business world.

**Research results.** Business communication is crucial for the success of any organization as it helps to build and maintain relationships with stakeholders, including customers, employees, investors, and suppliers [2]. Actually, it refers to the exchange of information and ideas between individuals or organizations within a business context. It includes all forms of communication, such as verbal, nonverbal, and written, that occur in the workplace. At the same time, business context refers to the circumstances and environment in which a business operates. It includes various factors such as the industry, competition, economic conditions, regulatory environment, and social and cultural factors [3]. Business communication can take various forms, such as meetings, memos, reports, emails, phone calls, and social media. It involves both internal communication within an organization, as well as external communication with other businesses, customers, and the general public [4]. Some key components of effective business communication include clarity, conciseness, credibility, and relevance. It is important to use language and communication styles that are appropriate for the audience and the purpose of the message. Effective business communication also involves active listening, feedback, and the ability to adapt communication styles to different situations and individuals [2].

Often at the household level, there is an opinion that business communication is a similar concept to business etiquette. Business communication and business etiquette are related concepts, but they are not the same thing. Business etiquette refers to the set of accepted behaviors and customs that are expected in a business environment. It includes the way people interact with each other, dress, communicate, and conduct themselves in professional situations. Business etiquette varies across cultures and can

have a significant impact on business relationships [5]. While effective communication is an important part of business etiquette, it is only one component. Other aspects of business etiquette may include things like greeting people appropriately, using proper titles and forms of address, being punctual for meetings, and showing respect for cultural differences. In summary, business communication focuses on the exchange of information and ideas, while business etiquette focuses on the social norms and customs that are expected in a business setting. Both are important for building and maintaining successful business and economic interaction.

Economic interaction can be considered as the exchange of goods, services, resources, and information between individuals, organizations, and nations for economic gain. Economic interaction involves transactions that are driven by the desire to maximize profits, minimize costs, and optimize the allocation of resources. In addition to economic benefits, economic interaction can also have social and political consequences. For example, trade agreements and international investments can lead to increased economic cooperation and diplomatic relations between countries, while trade barriers and protectionist policies can lead to economic tensions and political conflicts. Economic interaction and international business interaction are related concepts, but they have different scopes and focuses. While economic interaction can be part of international interaction, it is not the only aspect. International interaction can also involve non-economic activities such as political and social interactions, knowledge exchange, and cultural exchange. In contrast, economic interaction is focused on economic activities and the exchange of goods and services for financial gain. Business communication plays a crucial role in economic interaction, as it facilitates the exchange of information, ideas, and resources necessary for successful economic transactions.

In economic interaction, effective communication is essential for building trust and fostering strong relationships between individuals, organizations, and nations. Clear and concise communication helps to ensure that all parties involved in economic transactions understand the terms and conditions of the exchange, which can help to prevent misunderstandings and disputes [4]. Effective business communication in economic interaction also involves understanding cultural differences and adapting communication styles accordingly. This is particularly important in international business, where different cultures may have different communication styles and expectations. Business professionals who are able to communicate effectively across cultures are better positioned to build strong business relationships and negotiate successful deals. The institutions of higher education offer the courses of business communication, vocational courses or English for Professional Purposes (ESL). The aim of these courses is to provide students with the language skills they need to communicate effectively in a business context. Business English courses typically focus on developing students' proficiency in areas such as business correspondence, presentations, negotiations, and intercultural communication. The objective is to equip students with the language and communication skills they need to succeed in a globalized business environment and prepare them for careers in a range of industries, such as finance, marketing, and international trade. In addition may also address topics

such as cross-cultural communication, business etiquette, and intercultural competency, which are essential for working with colleagues and clients from diverse cultural backgrounds. By emphasizing these skills, business English courses in universities aim to produce graduates who are effective communicators, able to operate in a multicultural business environment, and prepared for the challenges of the modern workforce [6].

Studying business English as academic performance and developing soft skills are closely connected, as language proficiency and soft skills are essential for success in a professional environment. This connection is obvious as we can define soft skills as a set of personal attributes, traits, and abilities that are important for success in both professional and personal settings. These skills are often described as "people skills" or "interpersonal skills" because they are related to how individuals interact and communicate with others. There is also a strong relationship between soft skill development and academic performance which introduced in Table 1.

**Table 1. Relationship between soft skill development and academic performance\***

Soft Skill	Description	Relationship to Academic Performance
Communication	The ability to convey ideas and information effectively and listen actively	Improved communication skills can help students better understand course material, participate in class discussions, and communicate with professors and classmates, leading to better grades and academic performance.
Time Management	The ability to prioritize tasks and manage time effectively	Improved time management skills can help students balance coursework, extracurricular activities, and other responsibilities, leading to better academic performance and reduced stress levels.
Critical Thinking	The ability to analyze and evaluate information to make informed decisions	Improved critical thinking skills can help students better understand complex course material, identify and solve problems, and make informed decisions, leading to better academic performance.
Collaboration	The ability to work effectively with others towards a common goal	Improved collaboration skills can help students work effectively with classmates on group projects, leading to better grades and academic performance.
Adaptability	The ability to adjust to new situations and navigate change	Improved adaptability skills can help students adjust to the demands of college life and coursework, leading to better academic performance and reduced stress levels.
Leadership	The ability to inspire and guide others towards a common goal	Improved leadership skills can help students take on leadership roles in group projects, clubs, and organizations, leading to better academic performance and personal growth.

*Note: \*Summarized by the author based on references [6, 8, 9].*

It's important to note that while the development of these soft skills can positively impact academic performance, academic performance is just one aspect of a student's whole success and well-being. Soft skills can also play a role in career development, personal relationships, and overall life satisfaction.

Language learning can be a useful tool for developing soft skills, particularly those related to communication and collaboration. Modern educators suggest plenty of different methods to develop soft skills through language learning. To assess all of them, trainers should put them into practice. Table 2 below outlines some of the current methods of teaching foreign languages in the context of soft skills development and how their effectiveness can be assessed.

**Table 2. Current methods of teaching foreign languages in the context of soft skills development\***

Teaching Method	Description	Assessment of Effectiveness
Conversation practice	Students engage in conversation practice with teachers or peers to develop communication skills, including listening, speaking, and understanding.	Self-assessment, teacher evaluation, external evaluation, long-term outcomes, surveys and questionnaires.
Role-playing	Students engage in role-playing activities to simulate real-world scenarios and practice soft skills such as collaboration, problem-solving, and leadership.	Teacher evaluation, external evaluation, long-term outcomes, surveys and questionnaires.
Project-based learning	Students work collaboratively on projects to develop skills such as teamwork, communication, and critical thinking. Projects can be related to language learning or other topics of interest.	Teacher evaluation, external evaluation, long-term outcomes, surveys and questionnaires.
Self-reflection and assessment	Students engage in self-reflection and assessment activities to monitor their progress and identify areas for improvement in soft skills development.	Self-assessment, teacher evaluation, surveys and questionnaires.
Feedback and evaluation	Teachers and peers provide feedback and evaluation on students' soft skills development, helping learners identify areas for improvement and track progress over time.	Teacher evaluation, surveys and questionnaires.

*Note: \*Summarized by the author based on references [8, 10].*

It's important to note that the effectiveness of these methods may vary depending on the learners' individual needs, preferences, and learning styles. Additionally, soft skills development is a gradual and ongoing process, so it may be challenging to assess their effectiveness in the short term. Therefore, a combination of assessment methods is likely to provide a more comprehensive and accurate picture of the effectiveness of language learning methods in developing soft skills.

Development of soft skills is essential in economic interactions, as it can help build trust, establish relationships, and create successful outcomes. According to the World Economic Forum's Future of Jobs Report 2020, the top five soft skills required for effective communication in economic interactions are:

1. Complex problem solving
2. Critical thinking
3. Creativity
4. People management
5. Coordinating with others

These skills are considered critical in the current and future job market, particularly as technology and automation continue to reshape the workplace. The ability to navigate complex problems, think critically, and collaborate effectively with others is essential for success in economic interactions, regardless of the specific industry or job role. Other important soft skills identified by the World Economic Forum include emotional intelligence, negotiation, and cognitive flexibility [11].

However, the issue of implementing theoretically resolved issues into practice remains controversial. It is obvious that soft skills development among students is an essential aspect of education that helps prepare them for success in the workplace and beyond. But in fact there are several challenges that can hinder the development of these skills. Among them are limited integration of soft skills into curriculum, difficulties in evaluating and measuring success, cultural and socioeconomic barriers, and time limits in training process. These challenges requires a concerted effort from educators, policymakers, and other stakeholders to prioritize and invest in soft skills development among students. This includes providing training and resources for teachers, promoting cultural and socioeconomic diversity in education, developing effective assessment and measurement tools, and integrating soft skills development into the overall curriculum.

**Conclusions.** Effective communication is essential for success in economic interactions, and soft skills development plays a crucial role in building strong communication skills. Business communication skills are essential for students as they prepare for the workforce, and the development of soft skills such as active listening, clear and concise communication, emotional intelligence, cultural awareness, collaboration and teamwork, problem-solving, and adaptability and flexibility can significantly improve their ability to communicate effectively in economic interactions. Prioritizing soft skills development in the education system, we can equip students with the communication skills they need to succeed in economic interactions and beyond.

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### ***Annotation***

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#### ***Business communication in economic interaction and soft skill development***

*Business communication involves both internal communications within an organization, as well as external communication with other businesses, customers, and the general public. It is important to use language and communication styles that are appropriate for the audience and the purpose of the message. Effective business communication also involves active listening, feedback, and the ability to adapt communication styles to different situations and individuals.*

*Business communication plays an important role in economic interactions, and students who lack essential soft skills may face difficulties in their professional careers. Soft skills such as effective communication, active listening, problem solving, teamwork, and leadership are essential to success in the business world. However, many students do not receive adequate training in these skills during their academic years, making it difficult for them to develop these skills once they enter the workforce. This problem is further exacerbated by the fast pace of the modern business world, where effective communication and soft skills are critical to success. This is why educational institutions need to incorporate soft skills development training into their curricula to ensure that their students are fully prepared for the business world.*

*The article examines the essence and significance of business communication in the economic environment, the relationship with business etiquette. The interdependence between the formation of soft skills and academic success, structured modern methods of teaching soft skills in the process of learning a foreign language, and potential assessment methods are studied. The key communication skills necessary for effective communication in economic and business environments are identified.*

***Key words.*** *Business communication, business etiquette, economic environment, economic interaction, soft skills, academic performance*