How an Intranet Gives Global Leverage... to Translators

Logos Group, the Italian localizer, has not only built the largest dynamic dictionary on the Web, it has also pioneered translation intranets. CEO Rodrigo Vergara explains how his proprietary Logosys systemizes his operations together.

“The real work of translation,” says Vergara, “is inside the heads of translators. What we can do is to provide the technology to ensure that it gets out to the right people.” He calls this the “translator upwards” (TU) view of translation management, to be contrasted with the investor-downward (ID) approach now spreading through the localization industry. In the TU model, widespread in Europe, a transco like Logos grows through the rapid learn-and-expand entrepreneurship of its translator-manager and probably reaches its natural limits of internal growth when outside investors start making inquiries about the firm’s plans.

The ID vision, on the other hand, is predicated on multinational buyers into the localization or translation market, bringing capital, global reach, and management techniques into what has been a fragmented craft industry. To grossly caricature the options, the strategic issue confronting a TU firm like Logos today is how to fend off ID-type predators or risk being squeezed into a local-market position. For Vergara, the secret to survival in maintaining Logos’s global “niche” as a TU player is to grow virtually by investing in the right technology. Vergara’s not-so-secret weapon is Logosys.

Disintermediating Customers

As Logos’s production-management tool, Logosys integrates many roles. It automates many of the component steps in networked translation management, provides Vergara with a full information window on the state of play of the company’s operations, and maintains interactive links with customers. An intranet with an extranet tacked on. True to the “TU” vision, the driving principle behind Logosys is to free up translators to “do what they are good at,” which is not just translate, but also talk translation problems through their customers. By allowing Logosys to run as much of the routine project management as possible, Vergara believes he can overcome the old middle-man communications bottleneck experienced by localization firms, where there are project managers as projects—and problematic links in the chain.

At the same time, by shifting more project management to the back of automating it, he believes he can “intermediate” the relationship between translators and their counterparts in client companies. “Logosys helps put our clients in touch with the translators who are making on-the-ground decisions about language and formats used in a job’s sides stand to gain.”

In practice, Logosys supplies two types of customers—technical-support services to the translators (terminology, translation memory, invoicing, workflow), and also serves Logos’s end customer by providing a regular information feed reporting project progress. Rather than maintain an impermeable firewall between project staff and customers, Logosys encourages relations between the two when necessary: “Our translators are our problems for our customers, so we help them succeed, not to try and sell ourselves at management level.”
Where the Buck Stops

A system like Logosys, however, can only maintain quality standards vis-à-vis its end customers if there is a highly efficient information system monitoring work and ensuring replicability of procedures. And since the buck stops with Vergara, he has

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to have a panoptic view of the state of play at the click of a icon, he can access a complete picture of all work in progress as well as a database of Logos translators worldwide (all of them freelancers, even if a number of them work on site) listing all jobs done, what volumes, and so on.

This sort of continually updated information allows the system to automatically assign new jobs for a given client to the previously successful translator and provide translator teams with all the resources they need for a new project. Since the system can tell Vergara at a glance when a translator delivers work late twice in a row, it can automatically reduce the work volume assigned to them next time, for example. Once a project is completed, invoicing for customers and translators alike can be automatically integrated into the global bookkeeping system and payments delivered to subcontractors at the end of the month.

But Logosys would hardly differ from most other translation production-management systems (off-the-shelf generic packages, proprietary operational, or even stand-alone) if it did not also include a richer provision of information to its networked users. This is its real role as an intranet. The idea is not simply to ensure management control over operations from the center (the "big brother" function), but also to integrate the translation product itself back into the loop, allowing the whole of the company’s translation community to leverage the results of each job completed.

Translation Megamemory

So Vergara has made sure that Logosys plugs directly into the Logos Wordthèque document base and channels the first’s total output in a rapidly growing collection of bilingual and multilingual corpora covering the range of material translated. This megabase can then be mined for resources, using text tools such as concordances to generate project-relevant data on word usage (locations, frequencies, preferred customer terms and styles, etc.) that can help future translators improve their productivity, and boost terminology quality.

While the "public" Wordthèque is available via the Logos Web site as a dynamic multilingual and multilingual document base, this special corporate resource within Wordthèque is password-protected. It is accessible not only by all “accredited” translators working on projects, but also by certain customers who benefit from the automatic terminology management assured through Logosys’s archiving capabilities, and who in some cases use it as a language resource for their own technical authors.

Now that Logosys is up, running, and ostensibly proving its worth as a management tool, Vergara plans to leverage some of its capabilities outwards from Logos across a global spread of translation companies. Just as he turned his in-house dictionary collection into a universal Web resource, so he intends to transform his investment in Logosys into a resource for translation management. Not as a software product, but as an ongoing service emerging naturally from his own business.

Localization Branding

Unlike ID-driven global networks, Logos does not want to grow his firm by acquiring other translation companies. "We know we cannot preserve our corporate translator culture and at the same time compete as a global localization brand. What we can offer potential partners in the business, however, is a virtual work environment for anyone who wishes to share our contracts, our translator contacts, and our resources."

In other words, Vergara is aiming to develop a Web-driven association of translation companies who not only work in partnership with Logos (already a widespread practice in the localization business today), but who also purchase the right to use Logosys, earn access rights to the corporate intranet, and thereby become preferred Logos suppliers.

This may call to mind the sort of franchise system that emerging localization firms set up in the 1980s to build virtual networks—but with an important difference: rather than renting a brand name and devising a workflow from the franchise, in the Logos system one can buy into virtual project management, access translation-memory and terminology resources, and source quality translators directly through the Web without complex contractual negotiations. Logos is attempting to brand itself at a level it can control—virtually.

For Vergara, such a system looks like a win-win situation. But Logos might win just a bit more than its partners: it will presumably gain the production output and plow it back into its vast translation memory. This could become a significant asset over time.

The Price Tag

True to his TO vision of how to run a translation business, Vergara seems to be using his intranet as a combination marketing tool, virtual management system, and resource builder rolled into one. This sort of technology leverage comes at a price, which he puts at around 10 percent of annual revenues—around US$81 million a year in costs for infrastructure and resource management for the Web dictionary complex and intranet.

But according to the Logos strategy, this eventually translates into pure gain. How else, Vergara appears to be arguing, can a self-grown language-services company attain global status without walking to the tune of mergers and acquisitions? How else can a "little translation company from Italy" as he puts it—although $30 million in sales is hardly modest in this fragmented market—have the ambition to become "an actor on the world language industry stage"?

Logos’s “partners” are helping feed a massive centralized terminology database—a substantial asset of the company.