

Economics of translation tools - Experience gained at Swiss Bank Corporation

Doris Marty-Albisser

Abstract

An international company with its headquarters located in multilingual Switzerland, Swiss Bank Corporation (SBC) is faced with a rapidly growing volume of documentation that needs to be produced with ever shorter production cycles -- while still maintaining the high quality standards expected by its international clients. This, coupled with the increasing demand for banking-relevant information to be available instantly in several languages, called for a radical re-engineering of the translation sector.

Corporate Language Services at Swiss Bank Corporation began implementing translation tools two years ago. For the time being, the focus is on using translation memory software and building up a corporate-wide terminology database. Evaluating the integration of machine translation software will be the next step. As the unit is a customer-oriented service provider, productivity obviously plays a major role but at the same time the quality expectations of the corporation's international clientele have to be met. Run as a profit center, Language Services is now in a position to measure results and show concrete figures. It has also begun successfully offering its core services on the external (non-SBC) market.

What are the economics of translation tools and how can they best be exploited? What has to be taken into account when introducing software packages to raise productivity and what might the potential implications be if those tools are not introduced? How can quality and productivity be brought under one roof? Based on experience in this sector, the issue is not so much whether we can afford to use translation tools but rather whether we can afford not to use them. And whether it is not more meaningful to use human resources for their higher skills and creativity rather than for routine, more repetitive work.

Doris Marty-Albisser and Swiss Bank Corporation

Doris Marty-Albisser is head of Corporate Language Services and Executive Director at Swiss Bank Corporation, one of the three major Swiss banks and a leading global financial services supplier in its four core businesses of International Private Banking, Global Investment Banking, Global Institutional Asset Management and Personal & Commercial Banking in Switzerland. D. Marty holds a degree in translation and an Executive MBA. She has been in the translation and language technology business for the last 12 years.

Doris Marty-Albisser

Swiss Bank Corporation, Corporate Language Services

Aeschenvorstadt 48

CH-4002 Basel

Phone: +41 61 288 98 41 Fax: +41 61 288 38 55

Email: 100730.517@compuserve.com

Economics of Translation Tools

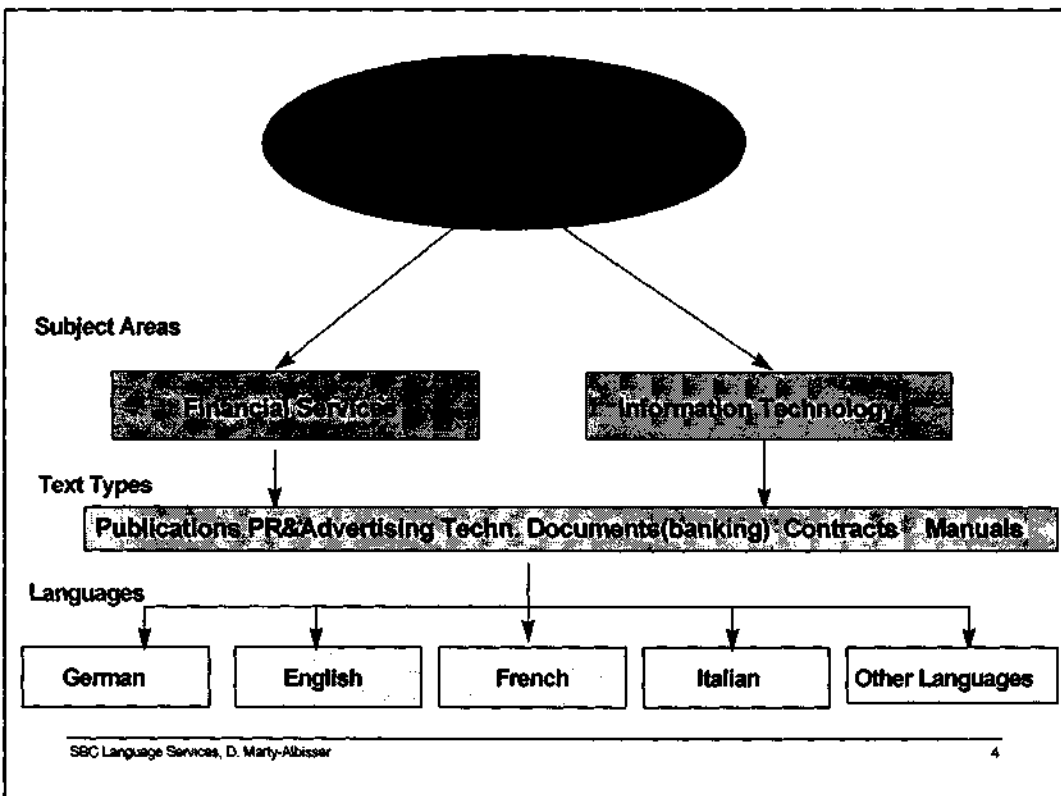
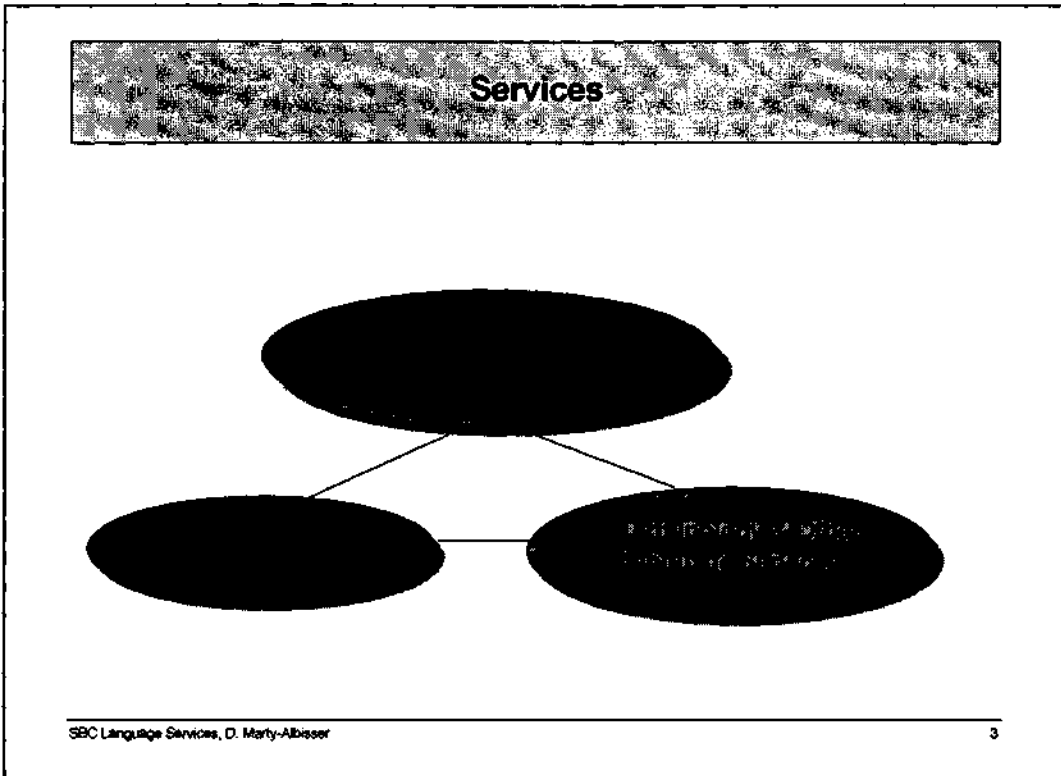
Experience gained at Swiss Bank Corporation

Doris Marty-Albisser
Language Services
Swiss Bank Corporation

- **Introduction**
- **Effectiveness & Efficiency of Translation Tools**
 - **Translation memory**
 - **Terminology database**

Overall Objective

- **Service Organization (Profit Center)**
- **Integrated languages services offered throughout the entire Swiss Bank Group and selectively to the external market**
- **Customer orientation**
- **Cost effectiveness**
- **High quality range**



Facts & Figures

- **Staff**
 - ⇒ Inhouse translators 20 (full and part-time)
 - ⇒ Terminologists 3 (part-time)
 - ⇒ Admin. & Mgmt 4
- **Revenue (1996) in translation** 4.6 mio Swiss Francs
- **Volume** approx. 33'000 pages
- **Productivity increase (1996)** 10%
- **Approach**
 - ⇒ process optimization
 - ⇒ implementation of translation tools

Sourcing

- **Small inhouse crew with top professionals**
 - ⇒ Quality assurance
 - ⇒ Highly confidential documents
 - ⇒ Knowhow-driven texts (core competences)
- **Decentralized Units**
 - ⇒ especially for Advertising, Retail Banking (Chiasso, Lausanne => i.e. target language area)
- **Cooperation with subcontractors (agreement)**
 - ⇒ for regular overflow
- **Cooperation with freelancers and translation companies**
 - ⇒ irregular overflow, texts outside our core competences, high volume texts which would bind too many internal resources

IT-Infrastructure

- **Office software**
 - ⇒ Microsoft Office with Word for Windows, Excel, PowerPoint
 - ⇒ Order tracking and invoicing system (Honoris, ALL Consulting)
- **Communication software**
 - ⇒ cc-mail (internal electronic mail)
 - ⇒ CompuServe (for external communication)
- **Language technology tools**
 - ⇒ Terminology database (MultiTerm, TRADOS)
 - ⇒ Translation memory (Workbench, TRADOS)
 - ⇒ Machine translation (pilot phase)

Effectiveness & Efficiency of Translation Tools

- **Quality enhancing aspects**
 - ⇒ Provide consistency in terminology & formulation
 - ⇒ Ensure coherent corporate language in multilingual documentation
 - ⇒ Document internal know-how!!!!!!!
- **Productivity factors**
 - ⇒ Speed up training of new translators (1/2 of normal training period)
 - ⇒ Avoid risk of translating same document more than once
 - ⇒ Ensure that all changes in source document are detected (no multiple loops)

Cost Effectiveness of Translation Memory

Investment (in CHF)

Software licences		
20 copies, incl. 30% discount		66'000
Training		
2 days		
4 Training sessions in groups of 5 people: 4x2xCHF 1'300 (incl. SW installation and configuration)		12'000
Production loss		
CHF 1000/day x 40		40'000
Total investment		118'000

Cost Effectiveness of Translation Memory

Cost / Benefit

Annual depreciation		
write-off over 3 years		-40'000
Software maintenance		
15% of purchasing cost		-10'000
Software administration/support		
10% of 1 person*		-18'000
Productivity gains		
Basis: Internal volume: \approx 21'000 pages		
Volume for translation memory: 1/3 = 7'000 pages		
Productivity increase: \approx 30% = 2'100 pages = 2 translators*		360'000
Benefit / year		292'000

Hardware update not included as the SW runs on existing high performance platform; net present value analysis not included in above calculation / *Total cost per employee: CHF 180'000 / year

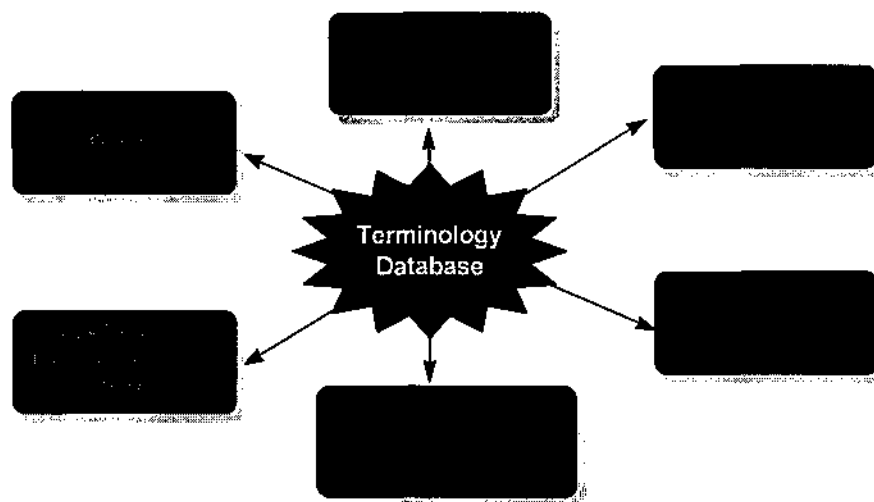
Human Factors

Incentives for translators

- Share know-how (“intellectual property of translation”)!
- Encourage “team spirit”
- Use translator’s intellectual capability for high-quality work
- Enhance creativity (through automation!!!)

- Start with highly repetitive, “boring” texts
- Visualize results (productivity gains) in terms of \$ (i.e. CHF)
- Compare costs of document translated in several languages
- Include use of productivity tools in performance measurement scheme (i.e. bonus-relevant factor)

Corporate Terminology Areas of Application



Corporate Terminology

Quality Criteria

- **Standardize corporate terminology**
 - ensure consistent terminology in internal and external communication
 - facilitate internal multilingual communication
- **Increase quality and efficiency in multilingual document production**
- **Enhance quality of subcontracted translations**
- **Increase efficiency in quality assurance process for translations**
- **Document internal know-how (!!!)**

Corporate Terminology

Cost effectiveness

- **Assumptions**
 - The productivity increase in cost/benefit analysis is based on estimates
 - » i.e. total time spent on terminology research: approx. 30%
 - Cost/benefit considerations do not include net present value analysis
 - The number of entries created per terminologist per year is approx. 3'600 entries per language
 - 1 entry consists of:
 - » main term
 - » definition
 - » synonyms
 - » related terms
 - » notes, quotes
 - » sources for term, definition, synonyms, etc.

Corporate Terminology

Cost effectiveness

Investment

Human resources	
2 terminologists, 2 years	600'000
IT equipment	
2 years at 10'000 TCO* / workstation / year	40'000
Training of terminologists	10'000
Total investment	650'000

Corporate Terminology

Cost effectiveness

Cost / Benefit

Productivity increase, Language Services	
5% for 20 translators	180'000
Productivity increase, other services	
20 min/day for 50 employees out of a total of 20'000 employees	300'000
Annual depreciation	
write-off over 4 years	-163'000
Maintenance of terminology data base	
1 terminologist	-150'000
Benefit / year	167'000

TCO = Total cost of ownership

Total cost per employee: 150'000 / year