

# Language management, knowledge transfer and translation-mediated communication in global environments: old paradoxes, unseen practices and new insights

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## Abstract

Language is definitely a fundamental element in international communication, namely in multinational companies (MNC) which *per se* are “multilingual organizations” (Bjorkman et al. 2004). There are several research studies that stress its relevance in international business (Marschan, Welch, and Welch 1997; Marschan-Piekkari, Welch, and Welch 1999; Feely 2003; Domingues 2009; Harzing and Pudelko 2013; Ozolins 2003; Janssens, Lambert, and Steyaert 2004), both in (i) corporate communication and (ii) in the communication between company and other stakeholders in foreign markets (clients, suppliers, etc.). Moreover, this communication in multinational companies (MNCs) and international business environments very often deals with streams, sequences of decisions and resource commitments, formulated and articulated in specialized language, that might be not completely clear to all stakeholders.

However, it is also true that language management and the role of translation and of the translator in companies operating in foreign environments and mediating interlingual communication is often unseen and has been rarely explored, neither by researchers in international business (IB), or in translation studies, nor by linguists (Ozolins 2003).

This paper intends, therefore, to contribute to trans-disciplinary research on language and terminology management in international business (IB) and, most of all, help to the break the old paradoxes related to the (i) wrongly assumed self-sufficiency of language in professional and business communication situations and (ii) costs of investment in language.

We will present results of two empirical studies that describe some language management and business translation practices in companies operating in foreign markets. Finally, although it is still an ongoing research, we will give some insights on how language management and translation mediated communication can be more cost-effective in these kinds of environments.

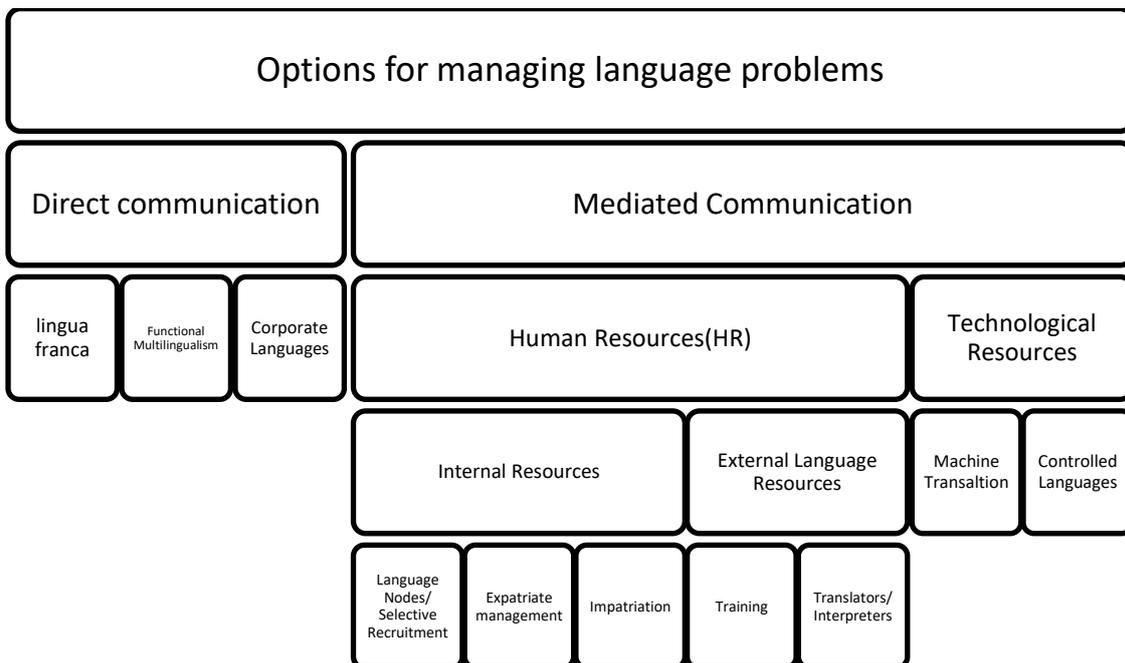
*Keywords:* ad hoc translation, terminology management, international business, business translation.

# 1. Communication in global environments

Many studies and reports have proved that language and culture are critical issues in companies' internationalization process. In fact, the whole firm's workflow and activity have to be communicated, both internally and externally at some point. Therefore business communication is not to be neglected.

When it comes to international communication, diversity (of languages, accents, genders, geographies, mind-sets, beliefs, experience...), considered by many managers a must-be "to create the highest performing leadership teams"<sup>1</sup> also brings dilemmas, miscommunication and misunderstandings. However, in a global and polycentric context, it is no longer possible to avoid cross-cultural and interlinguistic communication or to believe that an international language will easily bring the meaning across. Corporate language management is, first and foremost, an issue of managing resources: having the right team and the most skilled employees as far as communication and intercultural awareness is concerned. That, together with the right tools and training, can avoid misunderstandings and cultural pitfalls.

In fact, the issue of the language barrier in international communication is not a simple one and often demands more than one solution, where the most common is the use of a corporate language (usually English) combined with other languages and resources (Thomas, 2008: 4). In fact, there are many language strategies that a company can choose and combine. We consider that those proposed by Feely et al. (2002) are quite comprehensive, although only referring to general language proficiency, and in order to make them more explicit we have organized them into 2 categories: direct communication and mediated communication, as we can see below:



**Figure 1** – Options for managing language problems (adapted from Feely et al., 2002)

<sup>1</sup> In "Winning in a polycentric world Globalization and the changing world of business", 2011. Retrieved from [http://www.ey.com/Publication/vwLUAssets/Winning\\_in\\_a\\_polycentric\\_world\\_-\\_Globalization\\_and\\_the\\_changing\\_world\\_of\\_business/\\$FILE/EY\\_-\\_Winning\\_in\\_a\\_polycentric\\_world\\_-\\_Globalization\\_and\\_the\\_changing\\_world\\_of\\_business.pdf](http://www.ey.com/Publication/vwLUAssets/Winning_in_a_polycentric_world_-_Globalization_and_the_changing_world_of_business/$FILE/EY_-_Winning_in_a_polycentric_world_-_Globalization_and_the_changing_world_of_business.pdf).

However, several studies<sup>2</sup> show that language management and a language strategy is not a priority in most companies, although language transfers not only messages, but also knowledge and even power, sometimes creating “shadow organizational structures” (Marchan-Piekkari et al., 1999). These authors also give evidence that lack of local language competence can damage knowledge transfer between subsidiaries and headquarters and among subsidiaries themselves, since, as Welch e Welch (2008) also state, language can affect the whole knowledge transfer in an international company. In fact,

*Effective internal communications and knowledge transfer are critical for the MNE because the MNE's primary advantage is the export of superior knowledge to its subsidiaries worldwide.*  
(Sharp, 2010:1)

Knowledge transfer is deeply connected to company culture and terminology. In fact, there is no knowledge without terminology.

<b>Skill</b>	Able to communicate with other worker using a corporate language	Able to communicate with technicians or experts in different fields (knowledge transfer)
Knowledge of corporate language and lack of field knowledge	YES	Opportunity
Field knowledge and lack of knowledge of corporate language	NO	NO
Field knowledge and knowledge of the corporate language	YES	YES

**Table 1: Matrix of language skills and ability to communicate within the company**

As we can see in the table, knowledge can only be transferred with the company if the corporate language is used both in current situations and as a language to communicate with experts and technicians. However, being that language is not a priority and the language strategy, when available, concentrates mostly on having a common general corporate language, the effectiveness of specialized communication is not assured. I.e., being able to speak the corporate language and/or local languages, and even other micro-level practices, in which individuals carefully modulate their communication so as to accomplish the task in hand, may help the corporate communication to flow in general terms. However, knowledge, opportunity and specialized communication may still be impossible for some company workers. Translation, terminology management and knowledge management and sharing are still to be implemented if the company wishes to vertically and horizontally articulate communication.

This leaves us the first paradox: although language is a major element in international communication, literature from all around the world proves that it also lacks proper planning, strategy or investment.

<sup>2</sup> Salomão (2006), Domingues (2009), Feely et al. (2002), Marchan-Piekkari et al. (1999), amongst others.

## 2. Translation-mediated communication practices at international business contexts

Even more absent in research than “language” is translation and its role and impact in international business management, except for few works, such as for instance: (i) references in some articles on language management: (e.g. Marschan et al., 1997; Feely, 2002), (ii) an interdisciplinary paper from Janssens et al. (2004), that designs language strategy models according to translation models and (iii) a case-study on translation practices in a Nordic Bank (Peltonen, 2009).

Being aware that very often language skilled employees are “used” as language mediators (Marschan et al., 1997; Marschan-Piekkari et al., 1999; D. Welch & Welch, 2008; D. Welch, Welch, Piekkari, & Denice Welch, Lawrence Welch, 2005), translation-mediated communication in companies operating in foreign markets may thus become an extra and somewhat regular function of employees who master foreign languages. However, this function and the impact of this type of translation are not, in any way, thoroughly studied. Therefore, this paper intends to contribute to the research on language management in IB and bring some insights to business translation practices. For this purpose, we will present results of 2 studies carried out in several companies operating in foreign markets (both multinational companies and SMEs) that describe how translation-mediated communication issues are dealt with. Also, we will present the first conclusions and drawbacks of an ongoing *in loco* study in some Portuguese companies.

### 2.1 Methodology

We have carried out 3 studies concerning language and translation management in international companies: 2 mixed studies, quantitative and qualitative (surveys and reports) from 2010 to 2012 and one *in loco* qualitative study (ongoing).

The first study focused on language management in international business communication (LMBC) and the second/third focused on translation practices in companies operating in international environments (TPCIE).

Both studies (1 and 2) were carried out with the help of graduate Portuguese trainees, during their six-month placement in a host company abroad, who collected data from the host company by delivering a survey and, in some cases, through interviews and written reports describing the placement environment, the language and translation management styles in addition to the way the study had been carried out.

Therefore, we will discuss results from a quantitative research and a qualitative analysis (reports) in an attempt to describe language management practices in different organizations operating in foreign markets.

#### 2.1.1 Case Study 1 – LMBC:

83 trainees, under the framework of the 15th edition of Inov Contacto<sup>3</sup> were involved in the study and collected data from the hosting companies in an Excel survey. The study took place between December 2010 and September 2011, covering a total of 56 organizations, operating in 20 countries, which were grouped and classified into seven types: (1) SMEs, (2) Multinational Companies (Headquarters), (3) Multinational Companies (subsidiaries), (4) Portuguese companies operating in Portuguese-speaking markets, (5)

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<sup>3</sup> “INOVO Contacto is a programme that promotes internships abroad of Portuguese talented graduates with a view to fostering the internationalization of the economy and links between local firms and multinational companies.”. In: A review of local economic and employment development policy approaches in OECD countries –© OECD 2008.

Portuguese companies operating in non Portuguese-speaking markets, (6) mediators and (7) diplomatic organizations.

For the purpose of this paper we will only present the results concerning the first 5 types. The objective of the study was to describe and analyse language management practices of companies operating in foreign markets. 5 types of companies and 46 companies in 20 countries were surveyed.

#### 2.1.1.1 Overview of Results:

The analysis of all the surveys and reports of the trainees involved in the study led us to the following main results:

- i. Language management of Portuguese companies in international markets and of international companies in Portuguese-speaking markets is very similar and confirms most of the common appointed policies in previously referred studies.
- ii. English is considered a *lingua franca* in international communication and it is the common corporate language in multinational teams.
- iii. Language skills are considered very important in the internationalization process and therefore, beyond English, speaking other languages is an added value, especially languages from the target markets.
- iv. Rather than hiring professional Language Service Providers, companies operating in foreign markets prefer selective recruitment (recruiting employees with language and intercultural skills) or delegate inter-linguistic communication and translation to mediators (normally employees with language skills, even if new or temporary staff) in order to cut costs and increase the speed of the communication flow.
- v. Professional language providers are contracted almost only when translation cannot be performed internally, either because there is no employee who speaks the language, it is too demanding or translation is legally mandatory.
- vi. In most of the companies, translation of several corporate documents<sup>i</sup> is regularly made by employees with language, but no translation skills, hired for specialized jobs (engineering, accounting, marketing, management and so on). Around 90% of the 83 trainees have been asked to do translation tasks, mostly to their mother tongue, although none had translation training. This finding led us to conclude that companies operating in foreign markets silently develop a specific kind of business translation, performed by language skilled experts or employees with no translation training or translation tools. We have named this type of translation *ad hoc* translation.

These results raise several issues, some of them already discussed in previous studies (Marschan-Piekkari, Welch, and Welch, 1999; D. E. Welch and Welch, 2008; Björkman and Marschan-Piekkari, 2002), namely (i) the role of language in knowledge transfer and (ii) translation skills of employees with language knowledge. However, the first question we would like to address is another paradox:

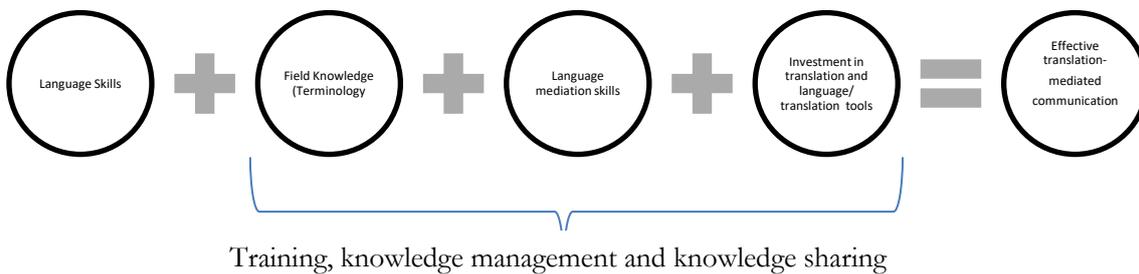
Paradox 2: being language so pervasive and important in corporate knowledge transfer, for some even considered to be a “reconfiguration agent” (D. E. Welch and Welch, 2008), it is also a very powerful tool. However, especially in companies Type 1 and Type 5, the trainee was sometimes the only translation resource, being the only one skilled in the target language (his/her mother language, most of the times). Therefore, s/he was used to transfer corporate knowledge s/he was not yet very familiar with, with few or no revising control.

Besides this, after reading the trainees’ reports, other questions related to translation mediated communication, intra and inter companies, and to knowledge transfer arise, some of them also pointed out by Peltonen (Peltonen, 2009). For instance, *ad hoc* translation practices, used mainly to increase communication speed and cut costs can suffer some

drawbacks considering the employees' lack of (i) translation skills, (ii) lack of terminology (knowledge), and (iii) lack of translation and content management tools. All these gaps can cost the company precious time, since the employee has no personal or corporate resources to develop the translation task efficiently. Moreover, in his/her quest for solutions (linguistic, terminological or other), s/he will probably ask other employees (more experienced or that have already done some translation work themselves or that are experts in the field) for help, which should also count as a translation cost. Moreover, *ad hoc* translation especially performed by temporary staff but also by employees relying exclusively on their language skills (even if they are native speakers) gives no guarantee of quality, but just the basic language transfer procedures. Also, translation can also be a repetitive task, costing unnecessary time, when the right content, terminology and translation tools could improve, optimize and speed up *ad hoc* translation.

### 3. New insights: improvement model

Trying to find answers to these questions, especially on how to make business *ad hoc* translation more effective with small investments, we designed another study, based on an improved translation-mediated communication model, that brings almost no costs to the companies and increases translations speed, quality and return of investment. This model was applied as a pilot project, from May 2012 to October 2012, again under the framework of the 16th edition of Inov Contacto.



#### 3.1 Case Study 2 – TPCIE

Taking into consideration the results from Study 1, with this pilot project we aimed to obtain more information on *ad hoc* translation practices of companies operating in international environments, namely concerning methods, technological resources, terminological resources and to test our training model.

This research was carried out with the help of 22 trainees, in 19 companies in 12 countries. Eleven of those companies had been already surveyed in study 1, and 5 of them were the same companies but now operating in a different market. The typology of the companies was, for this reason the same of Study 1. The results below therefore refer to the same 5 typologies of companies: (1) SMEs, (2) Multinational Companies (Headquarters), (3) Multinational Companies (subsidiaries), (4) Portuguese companies operating in Portuguese-speaking markets, (5) Portuguese companies not operating in Portuguese-speaking markets. Being the trainees new staff and not familiar to translation studies, the study was divided into four parts:

##### Part I

- i. acquaintance with language and translation-mediated communication practices in the host companies;

ii. survey the employees who did *ad hoc* translation in the host company (including the trainees, if that was also the case) on methods, technological resources, terminological resources and overall results;

Part II - Several terminological and translation resources were presented to trainees for self-study and self-test.

Part III - After having explored the suggested resources and the translation tools, trainees should promote them amongst the employees who were also translators.

Part IV - A new survey, on the result of using the translation tools, was carried out. A brief report describing the project implementation was also delivered.

### 3.1.1 Overview of results

The results of this small research project were not at all surprising. Through the first survey (Part I), with answers from both the trainees and also from employees who regularly act as translators in the company, we concluded that 89% of the companies carry out *ad hoc* translation, and in 92% of the cases during working hours.

As far as translation tools and other translation resources are concerned, 89% use the internet, 56% dictionaries and experts' help and only 3% use computer assisted translation. Referring to the impact of the translation as an extra task, 44% do not feel bothered by doing translation and 36% are even very pleased to do translation.

When asked about the main translation problems encountered, 47% mentioned the lack of knowledge in terminology and 42% the need for better language knowledge. To solve terminology doubts, 78% ask an expert in the same company, 38% ask someone outside the company, and 67% look it up in the World Wide Web.

In order to improve their translation results, the resources considered most important were "better terminological knowledge" (69%) and "good translation tools" (56%).

In the second survey (Part IV), the same *ad hoc* translators were asked about the impact of using terminological tools and computer assisted translation (CAT) tools. 63% stated that the translation work improved "a lot", especially as far as terminology (47%) and quality (41%) are concerned.

However, after reading the reports, we could see that most trainees could not promote the use of the suggested tools in a suitable way, either due to the lack of time on their side or on the employees' side. Moreover, there seems to be a conceptual confusion between what machine translation and CAT is, since respondents didn't seem to understand that using CAT tools means that translation depends on human performance, contrarily to machine translation, completely performed by the computer.

Moreover, they all seemed to expect "magic" tools: that could fit their specific needs of translation and terminology in a user-friendly and easy way. This is actually what approximately all surveyed staff refers to: the need to find customized and user-friendly tools. We could also conclude that most companies have, over time, developed some terminology management, by elaborating glossaries and wordlists (in Excel or Word format) but regularly use these resources in paper support and no interest was showed in optimizing this knowledge by managing the content in a more electronic way. Also, these documents are not widely spread in the company, i.e., only one or two departments in the company only know it. Moreover, in two of the cases, where the employees have been translating for the company for some time, the advantages of using CAT tools (like translation memories or terminological databases) were not recognized, since they stated to have developed their own translation methods, seeing no reason to change them.

This study confirmed several of the research questions brought up in case-study 1: translation tasks are carried out during working hours and sometimes other Human Resources of the company are contacted to solve problems, increasing the time spent in these *ad hoc* tasks. Moreover, language skilled employees and trainees (even if temporary) are asked to translate several types of documents, even if they have insufficient knowledge (terminology) and translation tasks are mostly done using machine translation tools (90% referred to Google Translator) and manually. Therefore, along with more terminology knowledge, translation tools are considered important to improve translation tasks.

However, it was our belief that since the training was promoted by trainees who were themselves not translators, terminologists or language experts and, on the other hand, who were themselves trained at distance the study could have had more impact if it was developed on site.

Therefore, since February 2014, we are working ourselves with 3 Portuguese companies *in loco*, and 5 *ad hoc* translators, carrying out study no 2, only for the language pair Portuguese-English. We must say that the settings and conclusions are the same. CEOs state that good communication skills and language proficiency are extremely important for international communication, but they rely, most of the times, on *ad hoc* translation.

The methodology is basically the same, the major difference (which we considered an added value) being that now it is us who train the *ad hoc* translators directly in the use of CAT tools and terminology management. So far, we are dealing with the same obstacles, as the trainees seem to have dealt with: lack of availability from the experts to share and validate knowledge. Companies recognize the importance of communication and translation quality and *ad hoc* translators agree with the model and are very satisfied with the results by using of CAT tools. They are now in phase III – working on their own and registering the differences (time and results) and within a few weeks we will assess the results and carry out the final phase (survey and interviews). We expect to have, by then, more solid results (both concerning the amount and cost of time of translation used by *ad hoc* translators and quality of translations before and after the training) and with the results be able to change the current management mindset: consider language a cost and not be willing to invest on training, terminology management, translation software or improvements, since the *ad hoc modus operandi* seems to be enough. In fact, although all (companies and employees) recognize it is not perfect, more quality apparently seems to bring no benefit (more profit and business)... This brings forward another paradox: more quality and efficiency seem to be losing to a globalized world, where most of the international customers are not English native-speakers and don't use a standard English and/or are not demanding, as far as communication quality is concerned.

#### **4. Some Conclusions**

Both literature and studies presented made evident that using language skilled employees does not mean that all intra and inter-linguistic communication situations in international contexts are covered. As we could see in the results from study 2, the main translation problems reported were linked to terminology, i.e., knowledge of the specific field dealt with in the communication situation. Therefore, in order to solve translation problems, the *ad hoc* translator used time from regular working hours and sometimes there was even the need to take time from other employees' working hours to get the (right) knowledge. Moreover, *ad hoc* translators, often face unavailability to share or validate knowledge, especially from experts at the company. Nevertheless, all this time investment does not guarantee accurateness and quality.

Moreover, if *ad hoc* translations are done without the support of content management tools, in companies where longer or more complex documents are regularly translated, working

hours are also used to repeat translations and procedures that could be avoided with the use of CAT tools. For these reasons, the company may be cutting direct translation costs but is spending time of specialized employees in tasks that could be optimized and accelerated by the use of technology, which can be considered an unseen expense.

We believe that translation is unavoidable in today's global world, where English is not enough, despite being an international business language. We also believe that considering the intra and inter-companies information flow and volume in international environments, it is impossible to outsource the translation of documents for everyday use. Therefore, translation skills should be part of the human capital of a company, together with basic CAT tools and content management systems. Moreover, if corporate knowledge (terminology) was managed in a common database, and made inter-operational with writing and communication tools, corporate and business communication could be more accurate, consistent and cost-effective.

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<sup>i</sup> Document typology can go from simple emails to presentations, flyers, contracts and other official documents.