



Money Matters: Translation Practice and the Economics of Language *

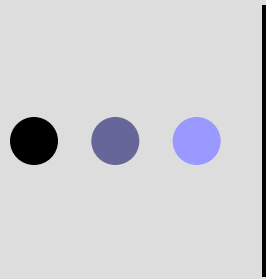
IALB - Tradulex

**Languages and Business Today and Solutions for
Tomorrow**

Lisbon, 1 & 2 October 2010

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Or...

- * **Putting the “e-factor” (back) in the picture**



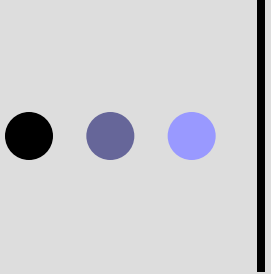
Outline of presentation

- Introduction
- Context(s)
- The translation market(s)
- Market dynamics
- The economics of language
- Research data/Mapping the field:
Individuals
- Concluding remarks
- *Some food for thought...*



The Economics of Language

- Language is the essential skill giving man the capacity for learning and transmitting knowledge. Language is the means by which an organization (or any community) communicates its culture to members within the society in which it operates. Language also facilitates creation of value through the exchange of ideas within the context of this culture. It facilitates the communication of information. Thus, the language of an organization may be viewed as the repository of that organization's knowledge. **As such, like money, it is an asset, and when in use, a capital. Like money, a language creates value in its use or exchange. Consequently, it has economic value. Its valuation, however, is subjective, involving the process of human judgment.** (The value of a working language, Krishna S. Dhir and Theresa Savage, 2002)



Advocating the strategic role of languages in economy

Translation as

- Intellectual activity
- Social practice
- Source of income



A bit of context, please...



ELAN: Effects on the European Economy of Shortages of Foreign Language Skills in Enterprise Executive Summary / Key findings (2010)

- A significant amount of business is being lost to European enterprise as a result of lack of language skills. (...) it is estimated that 11% of exporting European SMEs (945,000 companies) may be losing business because of identified communication barriers.
- Analysis of the findings from the survey identified a clear link between languages and export success.



The macro-economic dimension: language skills and export success

- Four elements of language management were found to be associated with successful export performance: **having a language strategy, appointing native speakers, recruiting staff with language skills and using translators and interpreters.** There could be very significant gains across the whole EU economy if all exporting SMEs employed these techniques.



Common Sense Advisory (2005-2010)

- 2005 – World translation market:
8 800 million euro
- 2010 - World translation market:
higher than 12 000 million euro
- 7,5% average growth expected by
2010



MyGengo

State of the Translation Industry 2009

October 12, 2009

- The translation industry is estimated to grow by almost 11% per year over the next 5 years, fueled by demand for business in emerging market languages and expanding online communication
- A growing number of customers are driven by other factors than just quality, and instead are increasingly concerned with accessibility, convenience, **price** and speed.
- The top trends in the translation industry this year are machine translation, hybrid or “post-editing” translation, **community and crowdsourced translations**, and a growing need for ‘informal’ translation.



Conseil Européen des Associations de Traducteurs Littéraires

www.ceatl.eu

Comparative income of literary translators in Europe

(c) Holger Fock, Martin de Haan, Alena Lhotová, CEATL, Brussels
2007/2008

- “This survey clearly shows that literary translators cannot survive in the conditions imposed on them by "the market". This is a serious social problem on a continent that is meant to be developed, multilingual and multicultural, but it is also and most importantly a very serious artistic and cultural problem. Indeed, what does it say about the quality of literary exchange between our societies if literary translators are forced to dash off their work just to be able to earn a basic living?”



Common Sense Advisory

The European Translation Market

Main Sectors and Drivers for Language Services in Europe

Txabarriaga, Kelly, and Stewart (November 2009)

- Small Businesses Dominate the Landscape of European Suppliers
- Annual Earnings for Most LSPs Do Not Surpass the Million Euro Mark
- In Spite of the Economic Storm, Business Grew for Most LSPs
- Spending on Language Services Grew throughout the Recession
- Large Buyers Spend Similar Amounts, but Small Buyers Spend More



Common Sense Advisory (2009)

- **Export-Driven Economies Depend on Language Services**
- **Emerging Economies Are Buying and Selling More in Europe**
- **Economic Twists and Turns Dot the Language Market Path**
- **Policy Affects Demand and Supply at Every Level**
- **More Business Takes Place in the Cloud, So Location Matters Little**
- **Investing in Language Services Is Essential for Growth**
- ***Most Providers Are Davids, Comparing Themselves to Goliath***



Study on the size of the language industry in the EU – LTC (August 2009)

- Estimated value of the language industry within the European Member States – 8.4 billion euro for 2008
- Annual compounded growth rate estimated at 10% minimum over the next few years
- Approximate value of the language industry of 16.5 billion euros in 2015
- Seems to be less affected by the financial crisis than other industry sectors
- Real value of the language industry can be expected to be well above 20 billion euros by 2015
- Assumed value of the translation and interpreting sector, comprising software localisation and website localisation activities, of 5.7 billion in 2008
- Market consolidation continues... Likely to remain constant in the future...

BUT...

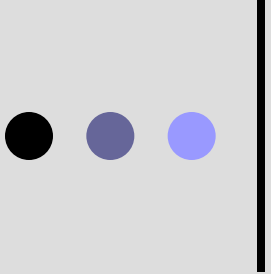
Entry barriers to the field of translation and interpreting are low. The main consequence is increasingly fierce and sometimes unfair competition, as well as decrease in prices combined with a decline in quality levels.



So...

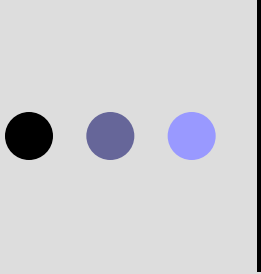
Multilingualism = affluence

- Language as an important factor for economic growth
- Translation as a powerful profit-generating activity, set within the scope of service provision, marked by specific business goals and management-oriented procedures, built upon the concept of the production of goods or commodities, i.e. via the massification and circulation of translated products.



Translation as a interdisciplinary social phenomenon

- “(...) a social-based activity, set within the scope of the so-called technical-intellectual labour, where several actors, involved in the production of **“immaterial and incorporeal goods”** (Heilbron and Sapiro) converge and interact, holding the commercial application of a specific set of organized knowledge that is institutionally validated and accepted.”



What exactly happens to translation(s) inside “business organizations”?

- How to assess the economic value of multilingual communication activities?
- Which variables are there?
- How to assess the economic value of translation?
- How to assess the strategic importance (social, economic, cultural...) of translation?



A new paradigm emerging?

- Globalization policies - huge increase in the translation output in terms of translated materials.
- New constraints to the profession, namely in terms of speed, price, quality...
- Massive *commoditisation* of translation services (consumer goods / a commodity) - people are literally consuming translated materials than ever.
- A change in the paradigm of the production and circulation of translated goods – a purely commercial market approach, with different logics and structures of organisation (Heilbron and Sapiro).



Major changes / New *stakeholders*

- 1. growing interest, interference and focus on the so-called “outsiders” coming to the industry
- 2. a new type of professional without the adequate linguistic background

A more business-oriented approach: translation agencies are no longer exclusively run by linguists...

A whole revolution in the workplace: gradual changes in the translator’s workplace

Partnerships and societies: new type of business relationships



Consequences for Productivity

- **Professional Translation:**

- 1. **Process**
- 2. **Product**
- 3. **Service**

- **Major changes:**

- 1. **Offer – product flexibility**
- 2. **Technology – process flexibility**

- **Focus on quality**

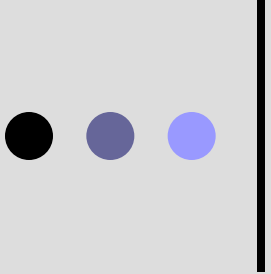
- **Standardization and regulation policies (metrics, statistical data, quantification)**

- **Tension between intellectual labour and the forces of production**



Profession and Market

- **A structurally dynamic market**
- **Dispersion and fragmentation**
- **“Games without frontiers”**
- **“Satellite” professions and new alternative branches that are growing around the task of translation**



Mapping the field: The individuals

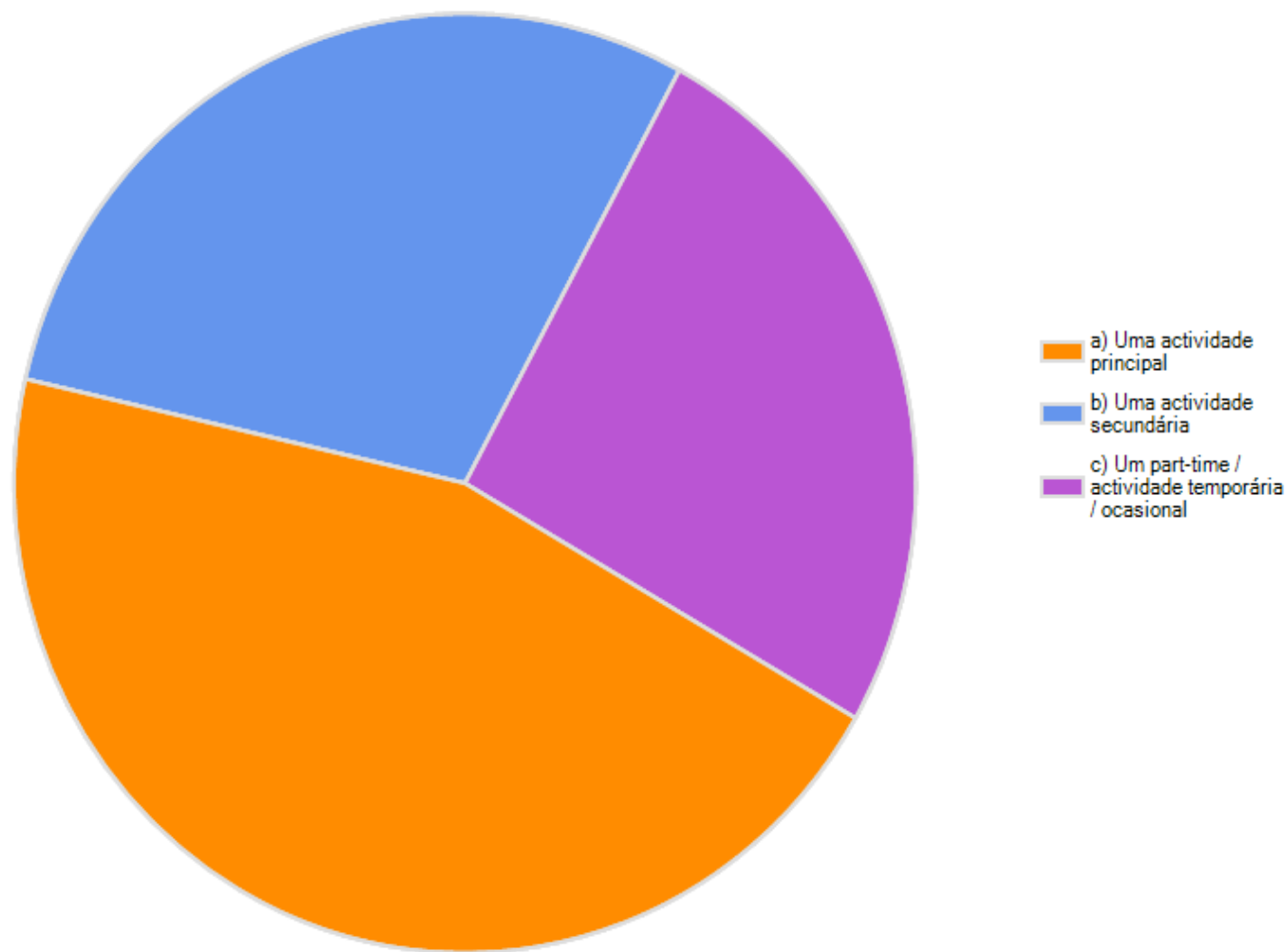
- Online questionnaire sent to 900 participants (North of Portugal, 2007-2008)
- 437 respondents started the survey
- 244 completed the survey (55,8%)
- 88 questions
- 20 subthemes



Mapping the field - Perceptions

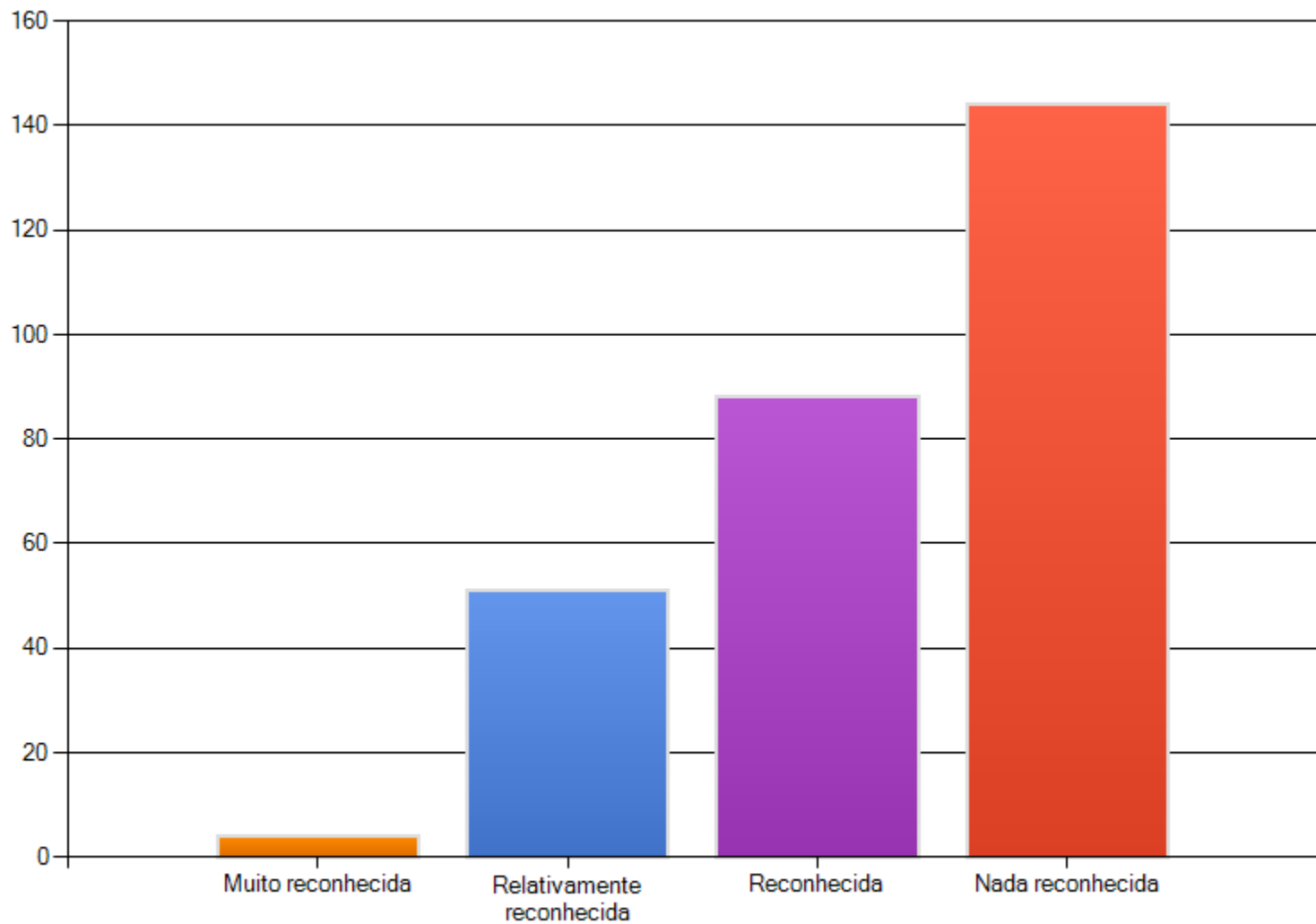
- **In-depth, qualitative interviews**
- **34 respondents (freelancers, company translators, agency translators)**
- **A pre-codified script, open, focused on perceptions, personal narratives**

Em termos pessoais, o seu exercício profissional da tradução pode ser considerado:

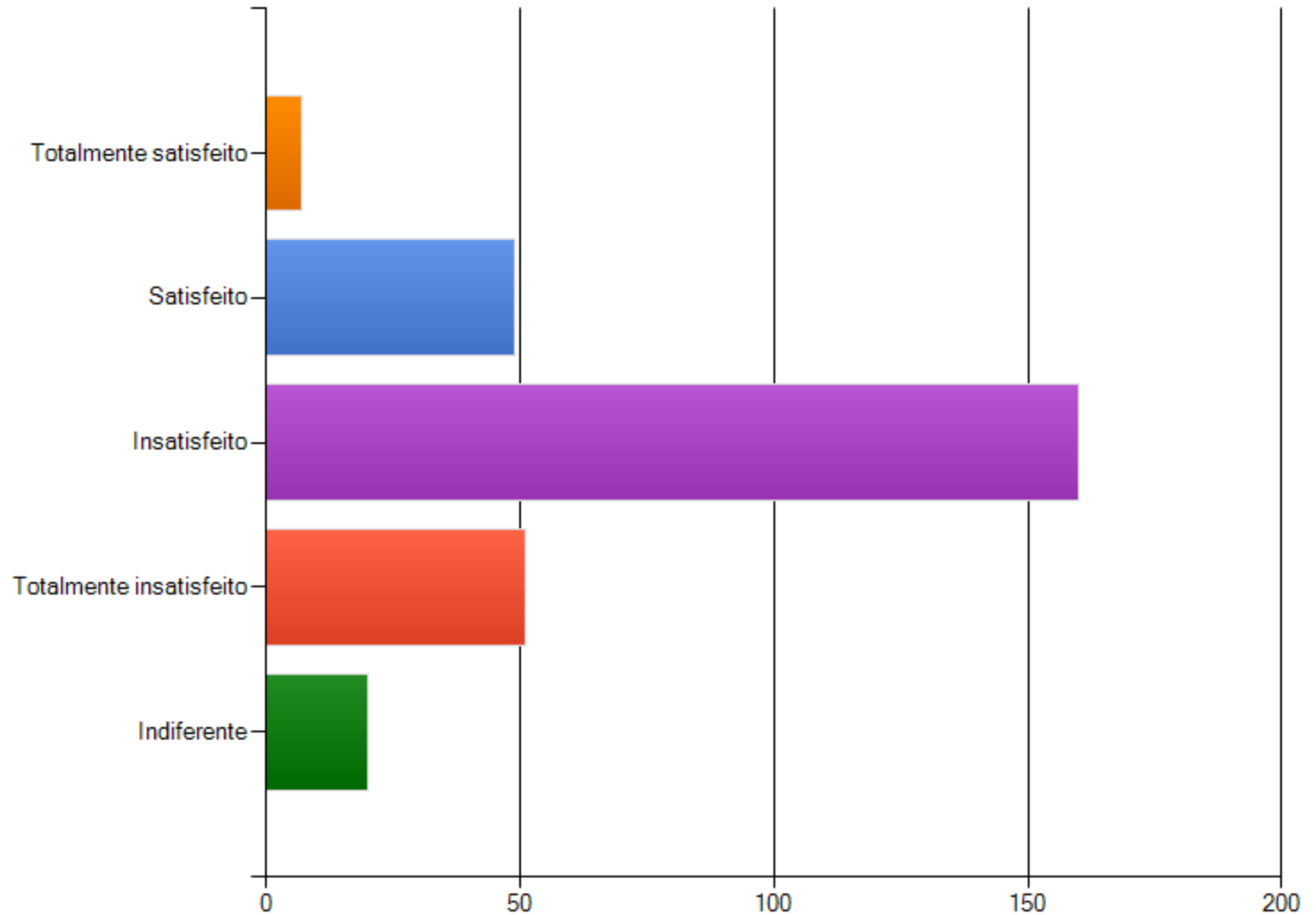




Enquanto actividade profissional em Portugal, diria que a tradução é:

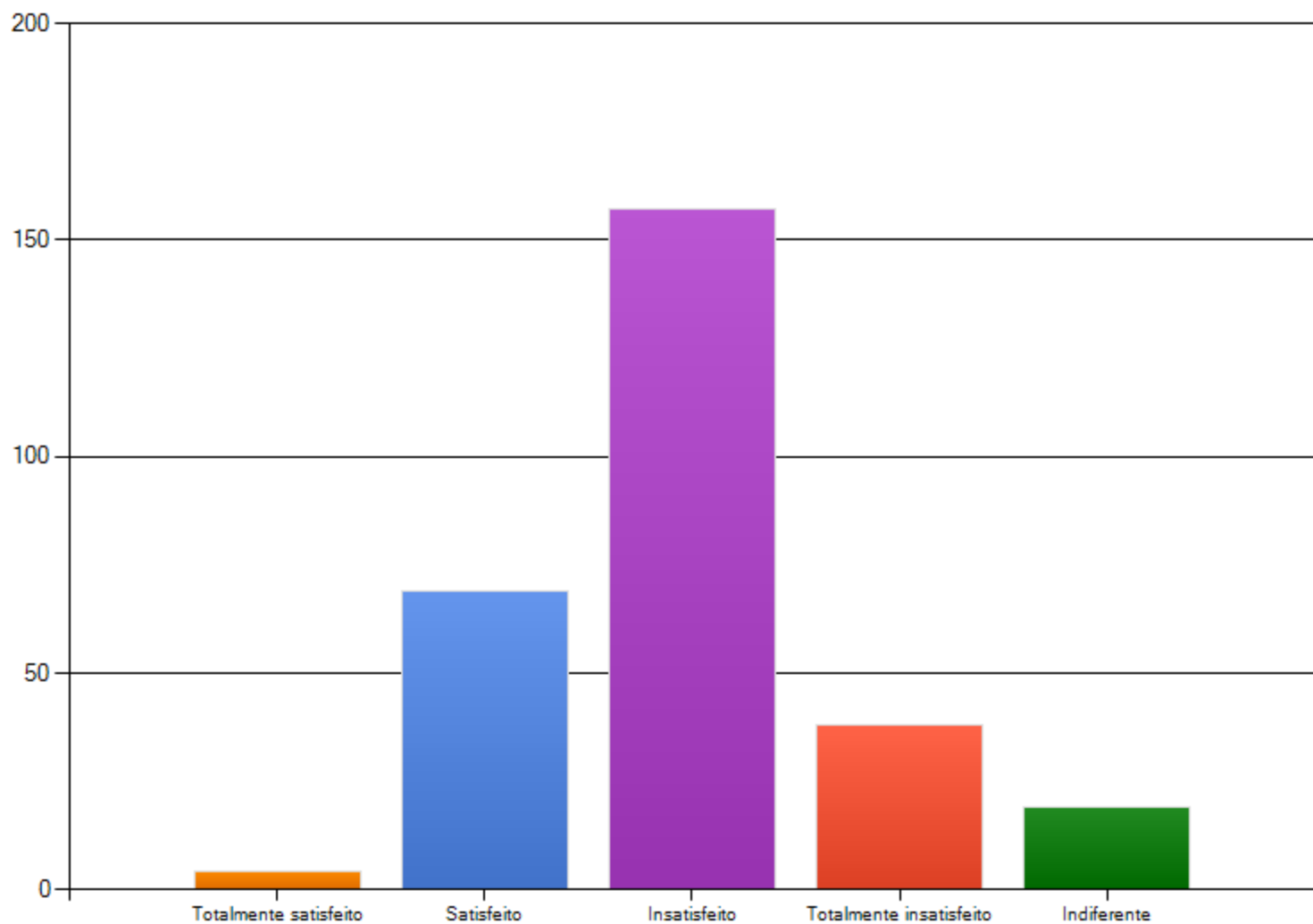


Qual é o seu grau de satisfação sobre o actual estatuto do tradutor em Portugal?



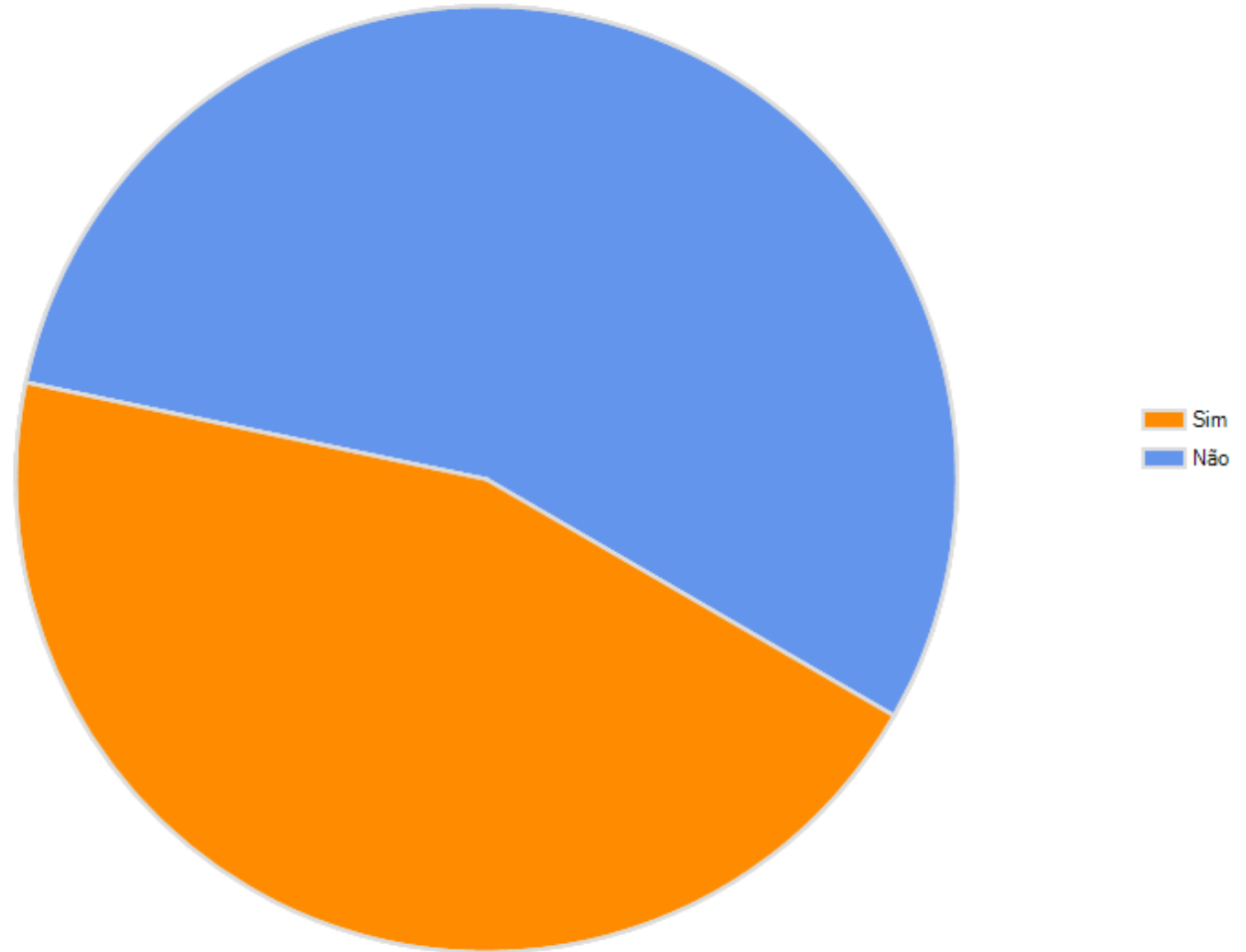


Qual é o seu grau de satisfação sobre o mercado da tradução em Portugal?



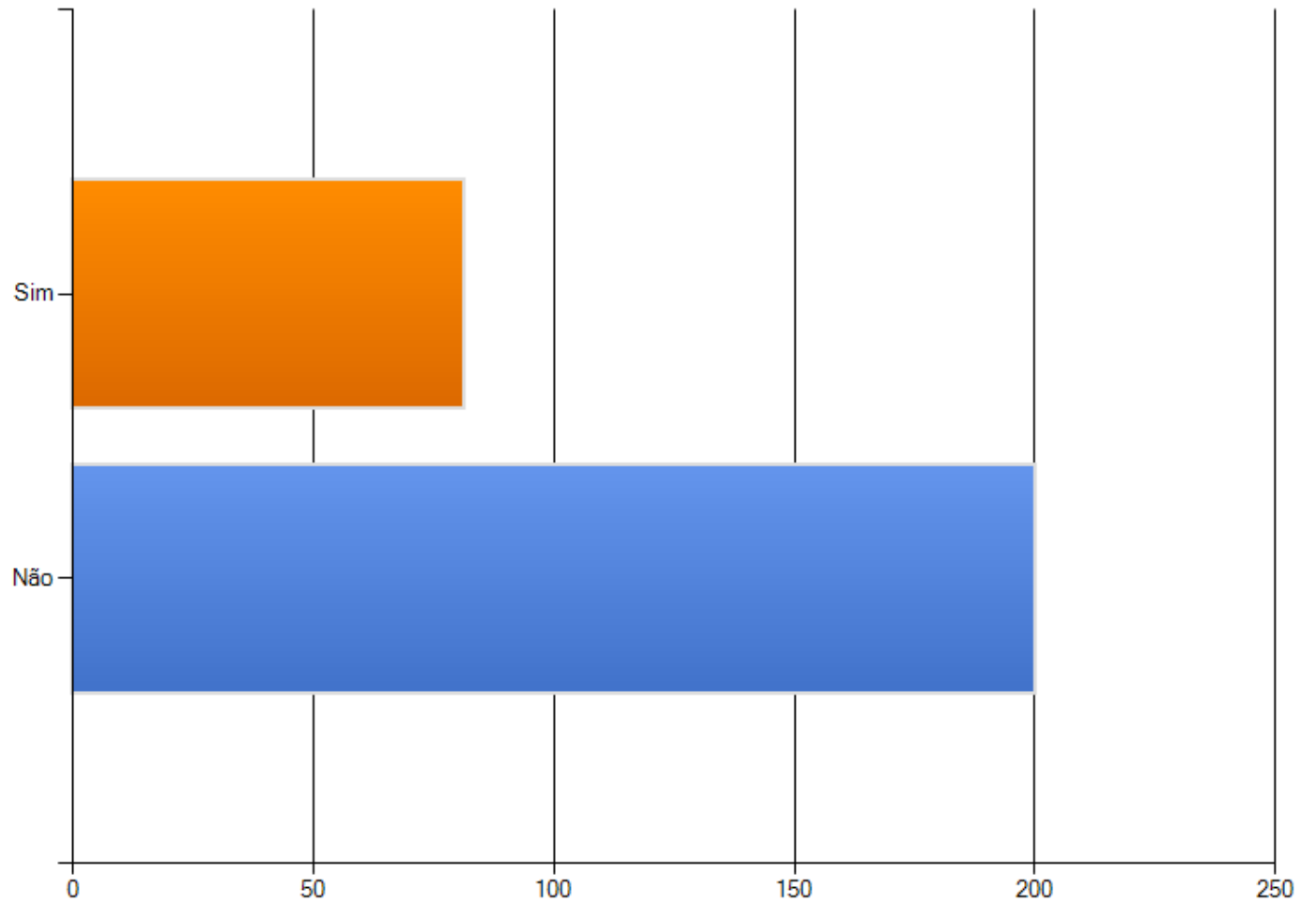


Está satisfeito com as condições em que exerce a sua profissão?



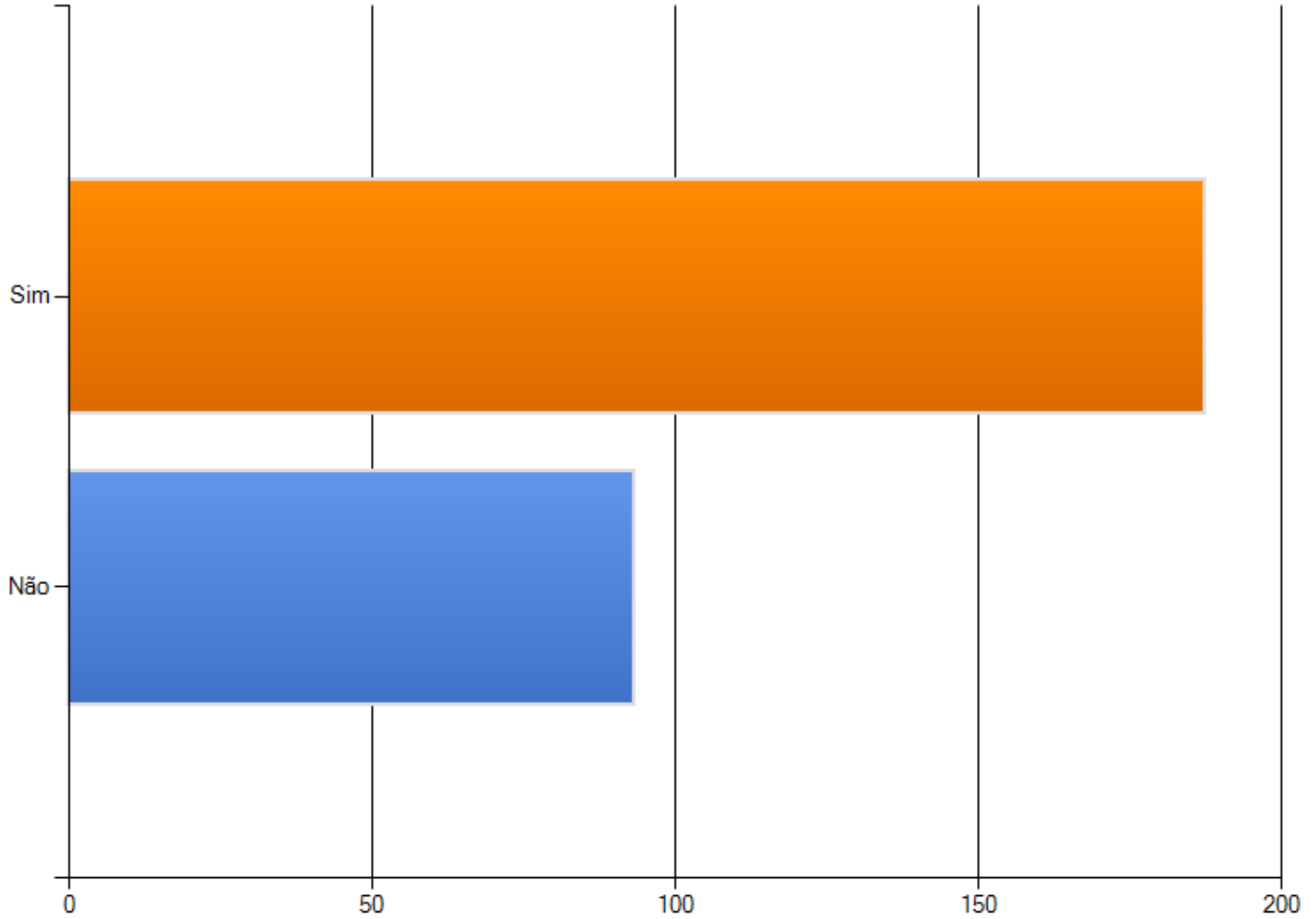


Sente alguma segurança em relação à profissão de tradutor?



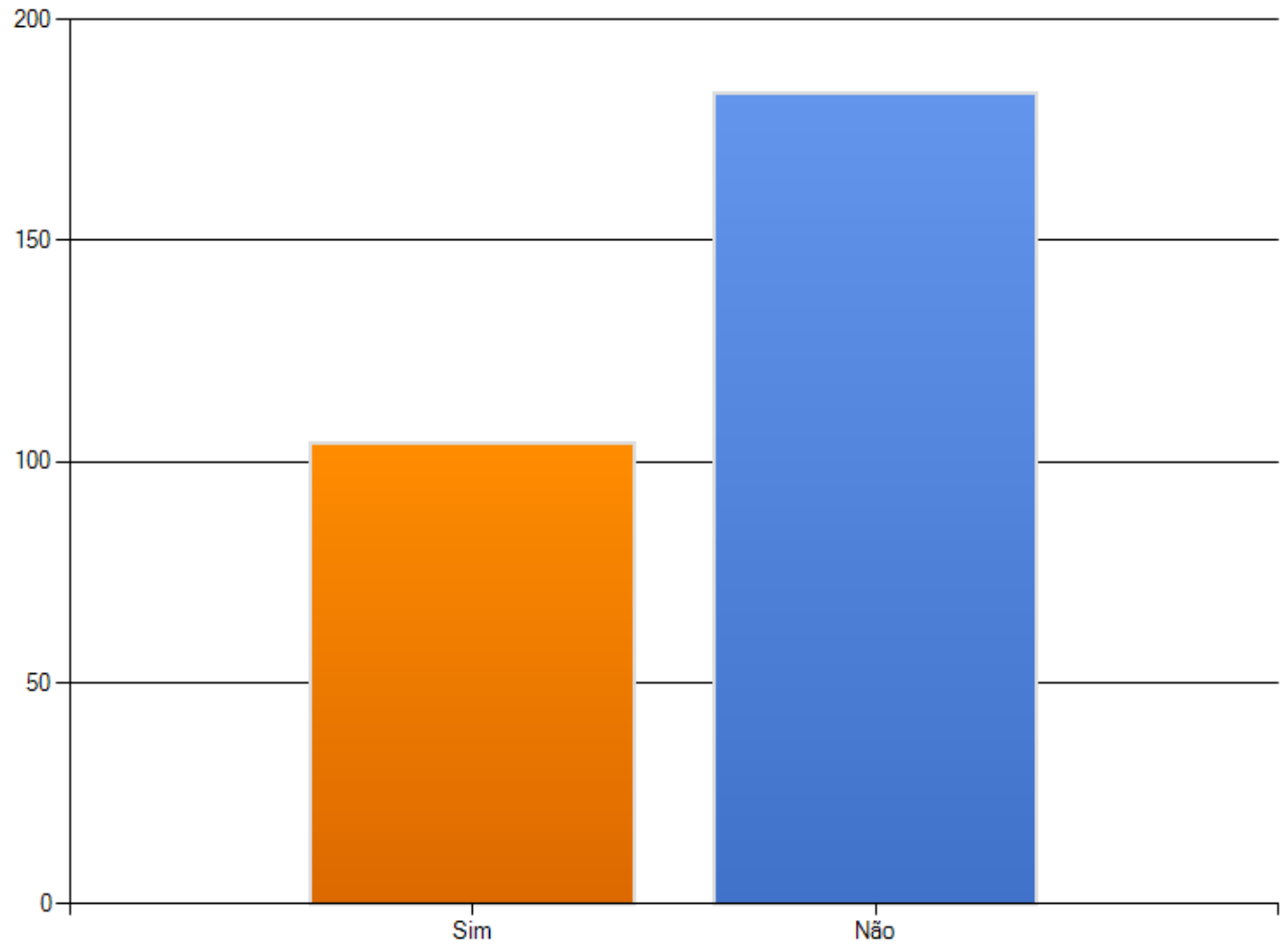


Encontra-se satisfeito com a qualidade da sua vida pessoal?



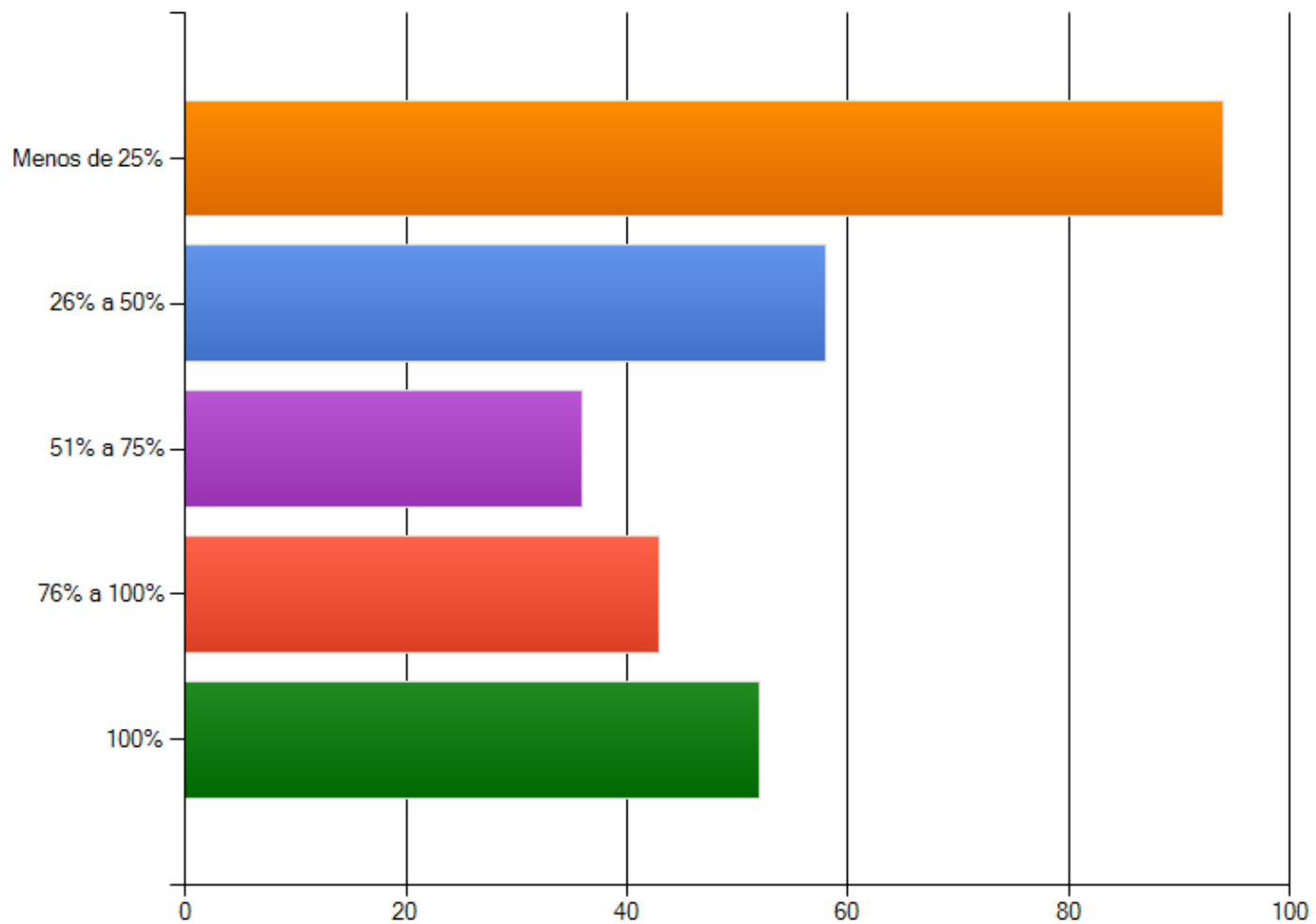


Considera que a imagem dos tradutores na sociedade é, regra geral, positiva?

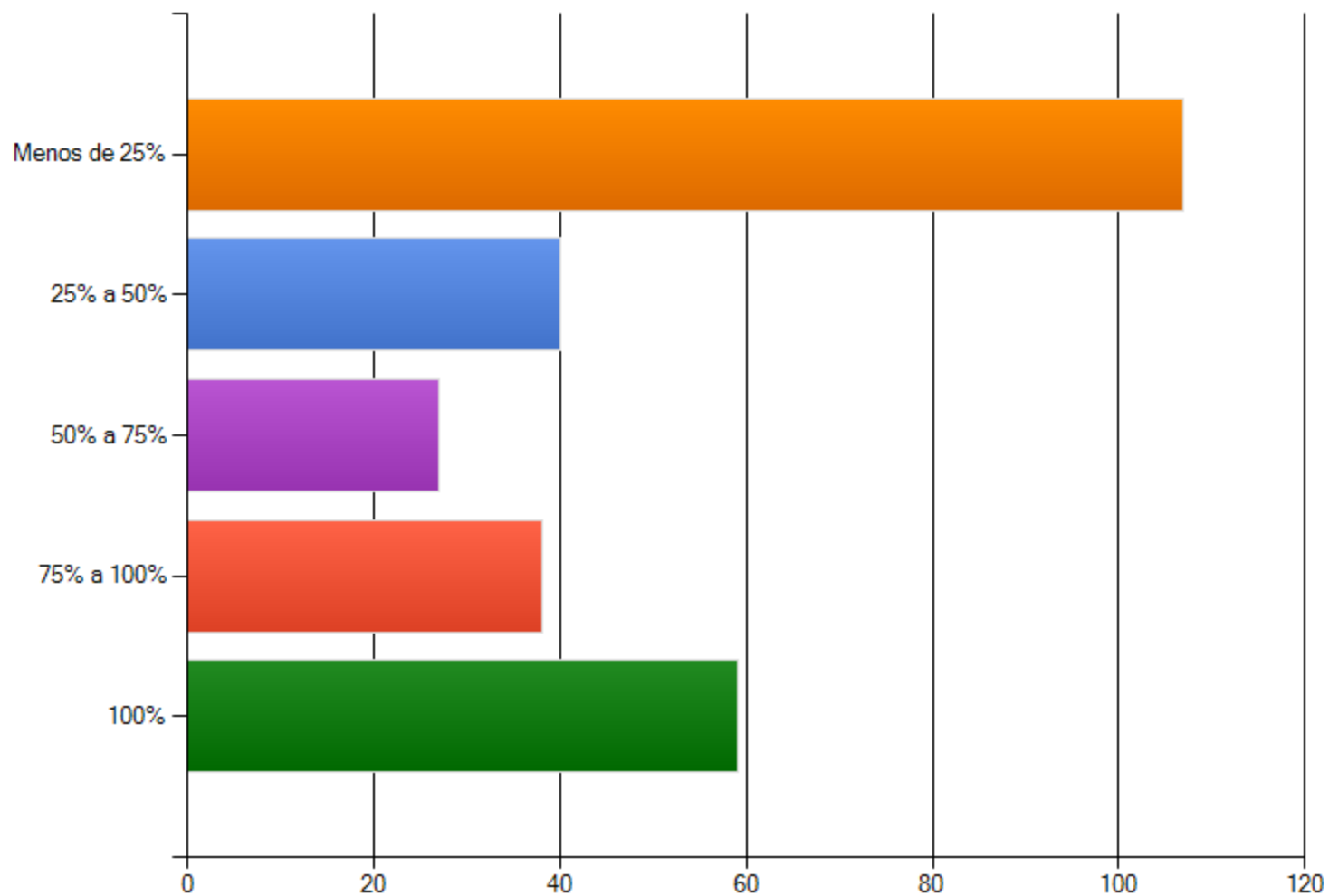




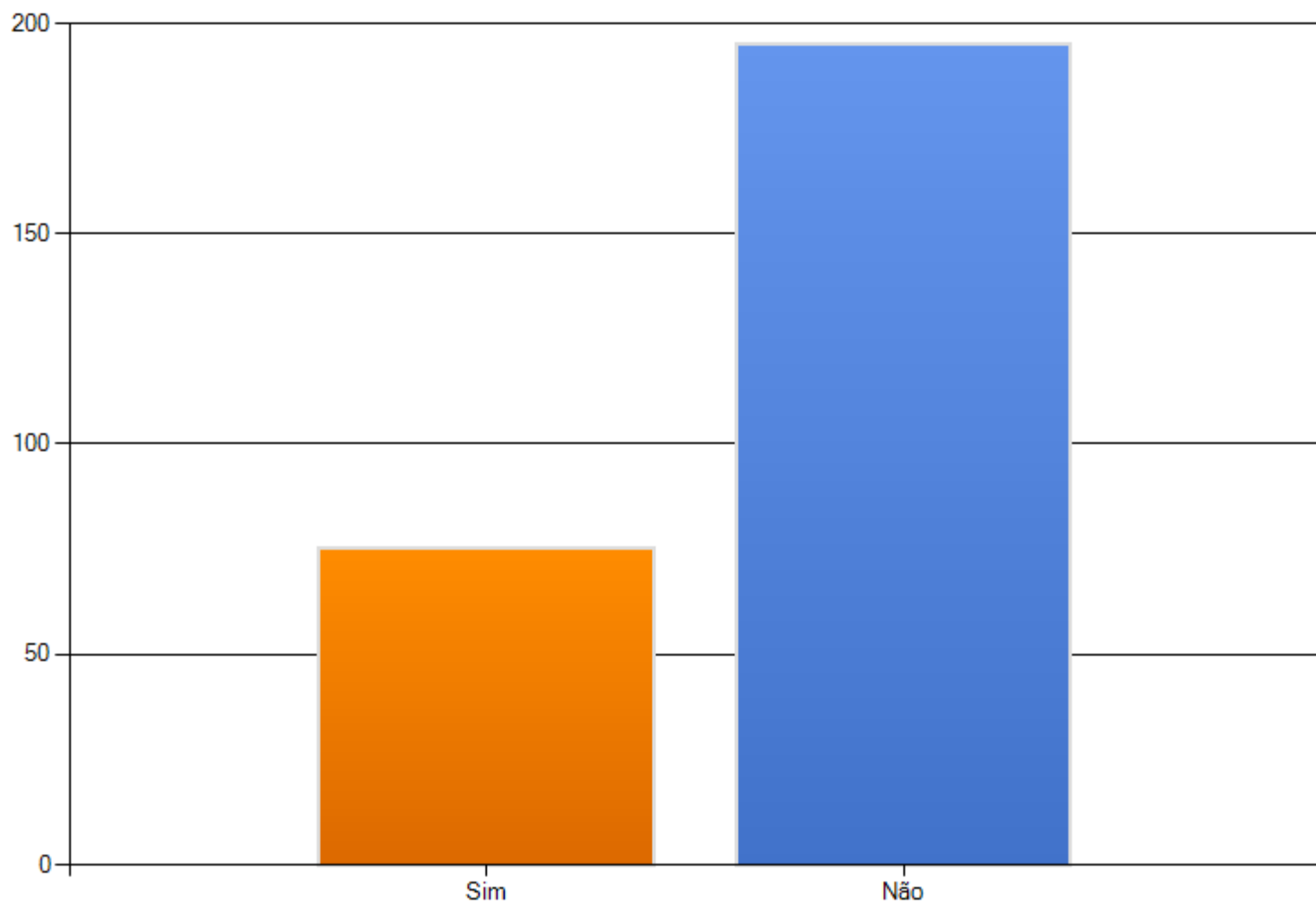
Percentagem de tempo de trabalho dedicado à tradução (por mês).



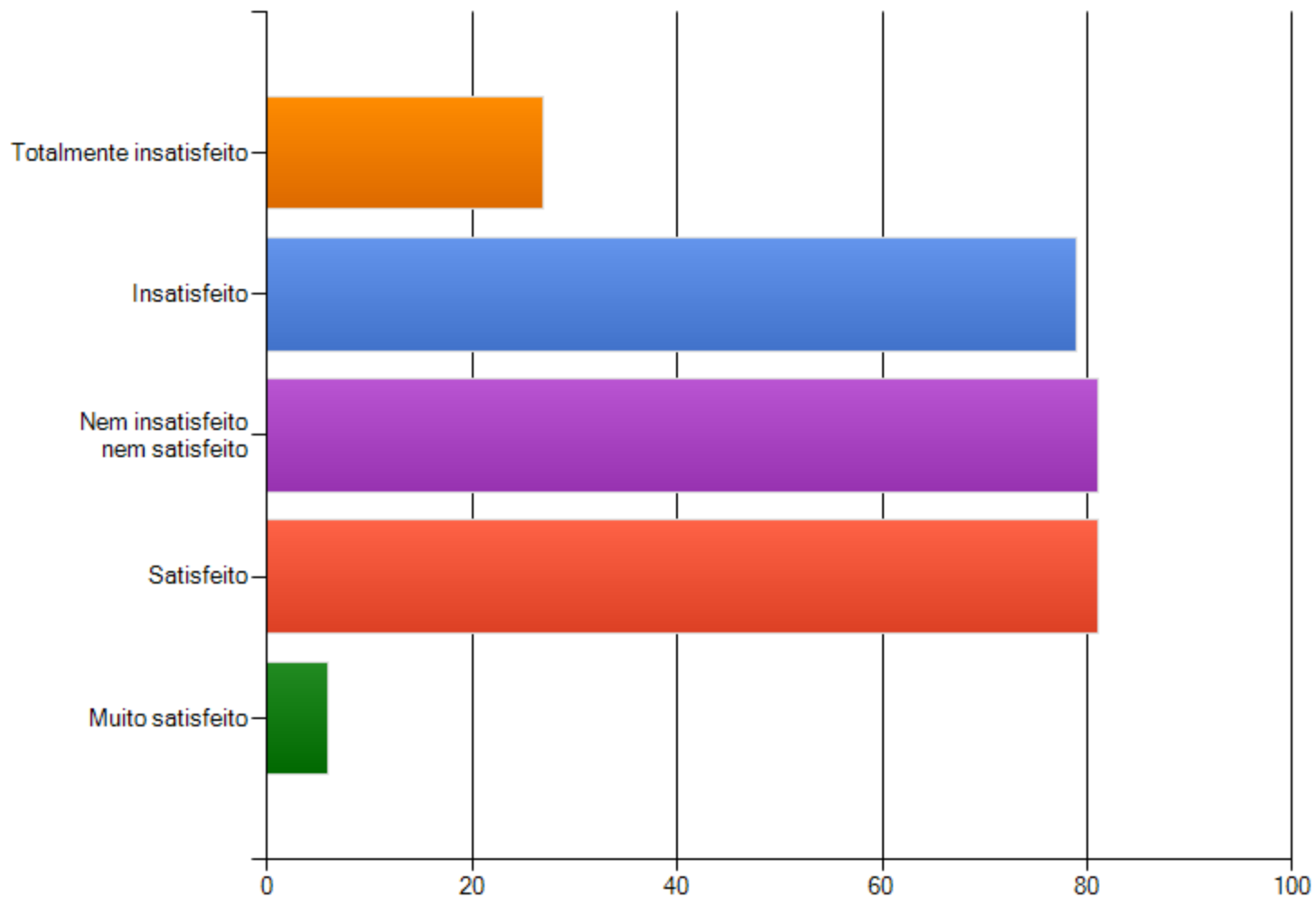
Sob o ponto de vista económico, qual a percentagem que a tradução ocupa no seu rendimento global?

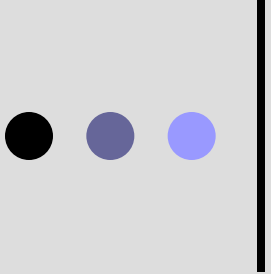


Tendo em conta as circunstâncias actuais, acha que conseguiria viver de forma confortável, única e exclusivamente dos rendimentos obtidos através da tradução?



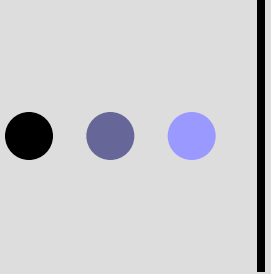
Tendo em conta o serviço que presta, como avalia, em termos de satisfação, a remuneração / honorários praticados no mercado?





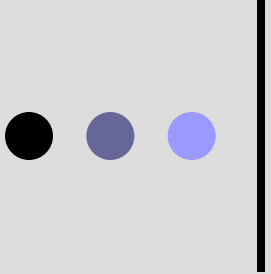
So...

- Translation as ***Cinderella*** (...) indispensable but neglected (...) confined to an ancillary role (Grin 2010)
- Respondents tend to express frustration at their non-standardized working conditions and at the fact that their professional authority is constantly being called into question



Why?

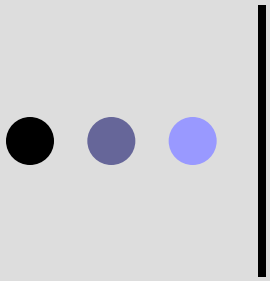
- Difficult to sell language services
- Difficult to understand the real value of language
- Difficult to understand and adopt corporate philosophy (corporate dynamics)

- 
- “a grey area, a sort of no-man’s land, free-zone where translation practice normally occurs without any sort of certification, institutional recognition or validation.”



(In)visibility

- A very weak and fragile position as a profession, not only among peers, but also among other converging, language-related professions which try to dispute the same professional field (see, for example, the cases of localization and AVT).



- The market is still very fragmented and non-regulated, and from an institutional perspective, namely government recognition and certification, it seems as if the profession is practically invisible, underrated and non-recognised in terms of professional categories (i.e. “the poor relation”).



Whose fault?

- The lack of recognition, on the one side, the absence of strategic planning with a view towards the implicit advantages and gainpower associated with multilingual communication, and unprofessional, ammateurish attitudes towards language communication, are therefore common trends in the field, and may eventually lead to disruptive consequences.



Concluding remarks

- The considerable depth and reach of the market.
- Intra and interprofessional conflicts and organizational shifts
- Very weak/fragile position of the translator within this professional field
- The need to find legitimatory devices in competing professional territories



ELAN - Summary of recommendations

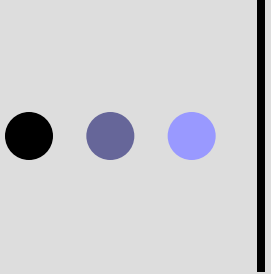
3. Improve Business-Education links in relation to languages.

Identify and disseminate models of successful collaboration between Business and Education especially, but not exclusively, directed towards the promotion of language skills.

8. Support businesses to become more expert at managing language skills and in applying the four elements of language management which are associated with improved export performance.

9. Businesses should be encouraged, through incentives where appropriate, to:

- record, exploit and develop language skills available within their company
- provide training for employees through links with local providers
- become involved in international business-to-business exchanges
- support education and training programmes linking languages and enterprise, working with schools, colleges and universities.



10. Strengthen (foreign) language education within education and training at all levels.

11. Improve the match to employer need by:

- diversifying the range of languages taught, particularly in tertiary and vocationally-oriented education
- improving the contextualisation of courses and qualifications to the business context

15. Conduct further and more detailed research into the economic impact of language skills both on export trade and on other areas of the economy such as tourism, inward investment and services.



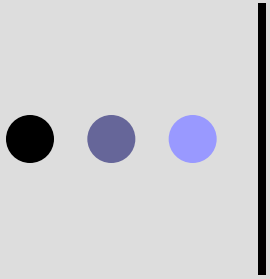
Suggestions

- The need to mutate and adapt to a market that is also increasingly voluble, volatile and dynamic therefore calls for some specific strategies designed to reset and redefine the whole concept of business goals.
- Role of language policy and planning (“LPP”) as a determining force in the demand for language services (Grin 2010)



Thus the need...

- To tap into the reasons why translation is always second-rate when it comes to buying a product, service or commodity
- To reshape the translator's profile according to professional standards and to new business-oriented settings

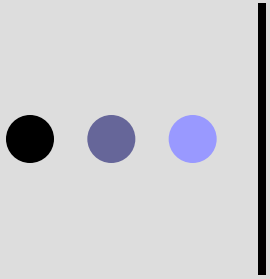


- Effect of the so-called business-oriented dynamics in the translation process itself, and in professionalism, in particular.
- Focus on the increasingly important role of business culture and business-oriented language, derived from marketing studies and management theories.
- University / training *curricula*



Last, but not least

- To draw the attention to the business-oriented dynamics that affects language production and the circulation of multilingual products worldwide, as well as to increasingly important role of business culture and business-oriented language derived from management theories.
- To approach this new phenomenon by first analysing how the company is organised, and considering the usual management procedures within business-oriented environments characterised by service-provision principles.
- Absolutely crucial to redefine the role of the so-called "business translation" within the context of Translation Studies.



Thank you!

Comments? Questions?

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