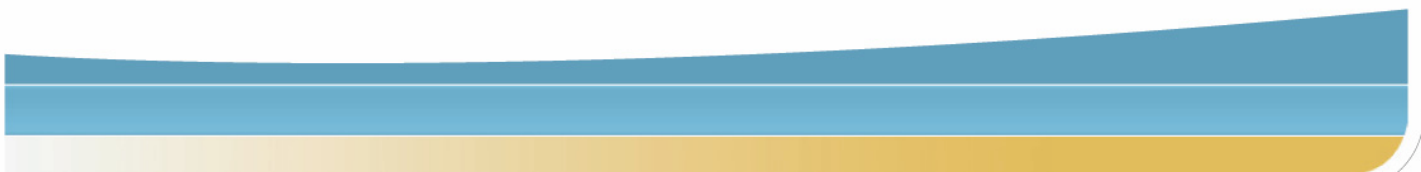


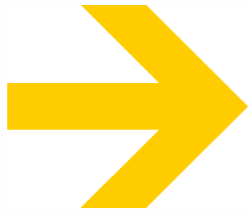


White Paper

Global Expansion Requires New HR and Training Strategies

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At a Glance

The key to successful global expansion is to execute a structured Human Resource strategy for developing, localizing, and deploying HR information. This improves workforce connections, reduces global turnover, and presents greater efficiencies.

Executive Summary

It is no surprise that some form of Human Resources and talent development issues are routinely cited by CEOs as key focus areas in the annual surveys from Accenture and the Conference Board. Most organizations simply understand that their people **are** their competitive advantage.

As organizations expand worldwide, the need for locally relevant, globally consistent employee training is essential to improve performance. It is the challenge of the global Human Resources and training organization to balance the mission of the *global organization* and the *local requirements and customs* in each office.

Unfortunately, while the passion and commitment is there, the budget necessary to achieve these goals is not. As a result, HR and training leadership is constantly juggling a significant list of priorities to determine which programs to fund. Very often, localization falls to the bottom of that list. Managers work with a bare minimum of locally appropriate material, or enlist the help of local resources to translate only the most critical material like employee handbooks and government required notices. Further, training leaders are forced to evaluate and provide a variety of course options to offer the broadest possible audience access to the broadest possible set of skill development opportunities.

At the same time, language presents a primary barrier to retention, recall, and application. Training methods and delivery media must be adapted to ensure maximum impact and to ensure that the organizational goals are met.

Organizations that develop a consistent strategy for developing, localizing, and deploying HR and training materials will see improvements in several key areas:

- **Workforce connection:** Distributed employees will have a deeper understanding of corporate goals and mission, and will more readily understand their role in reaching those objectives.
- **Reduced global turnover:** Better trained and more connected employees are more likely to stay with your organization. Reducing turnover can significantly cut recruitment and training costs.
- **Greater efficiencies:** Engaged and well trained employees are more efficient across a number of factors depending on the type of work that is being done. Most organizations

can readily identify top and bottom line improvements if they were to improve the efficiencies of their workforce.

This paper will explore areas HR and Training leaders should review to assess the value of a strategic localization program, and then examines how to put that strategy into action with the training and e-learning effort.

The Case of HR

In the Human Resources community, there is no shortage of materials that discuss the challenge of operating globally. The Society of Human Resources Managers (SHRM) has multiple discussions, articles, whitepapers and even blogs on the subject. The main Global HR topic can be found here: <http://www.shrm.org/global/>

The whole of these materials can be summed up as follows: It is hard.

Recruiting and retaining employees, training, employee development, adherence to mission and values, compensation, and performance management, among others, become significantly more difficult when extended over 5, 10, or 20 or more countries.

Remarkably, in these global HR resources, there is very little discussion about localization strategy. How much material should be delivered in local language and what is the best way to achieve that goal?

Oftentimes, the HR organization develops material and then distributes it for use globally. It is then left up to the local offices to determine if the material should be translated and then manage the translation—typically by doing it themselves. This served well enough when most tools were paper-based. Today, however, with the advent of sophisticated HR software tools to address all aspects of human capital management, some effort must be made to develop a consistent localization strategy.

Take the case of employee reviews. If they are done manually on paper, in what language are they done? Where are they physically stored? If a manager is in France, but the employee is in Korea, in what language should the review be done? If performance review software has been deployed, additional questions arise. Has the interface been translated for every country you conduct business in? In what language is material reviewed and then stored? Are you forcing employees to review their performance in a non-native language? These are just a few possible challenges that can arise without a more strategic approach.

In the end, **what** should be translated is a highly specific decision based on your company's operating strategy. However, when examining materials determine:

- What is the predominate language in use in each country, and is there a formal “language of the business”

- The impact on the organization of having localized materials
- The potential impact on employee development of having material in native language
- The potential improvement in retention rates

Once these factors are known, a sound localization strategy can be developed and executed throughout the global organization. We recommend that the central HR administration manage the translation program to ensure consistency and accuracy of the materials delivered. By engaging with a professional localization services firm, each file that is translated becomes part of a central “Translation Memory” (TM) that is stored centrally. Future translations access this TM and phrases that were translated previously, do not have to be translated again. This process can dramatically reduce the cost and turnaround times associated with future translation projects. It also ensures a consistency of message across all projects.

One area where translation and localization has a clear business impact for virtually every company is in the training organization. Training should almost always be delivered in local language. The following sections detail why.

The Business Case for Global Training: Just Follow the Business

Importing and exporting is certainly not a new concept; it is essentially as old as commerce itself. However, with the advent of cost-effective global distribution systems to accelerate the transfer of goods, and the internet to accelerate the transfer of knowledge and awareness of goods, the pace of globalization has reached a fevered pitch. Evidence of this can be seen in the recent Fortune 500 list where listed companies reported, on average, deriving over 42% of their revenues and more than 50% of their profits from non-domestic customers.

International business is no longer a footnote on an income statement; it is just business. If your organization is not already operating globally, chances are expansion is planned in the near term. If you are operating currently in five countries, you will likely be in 10 shortly.

This expansion is not merely an accounting exercise. Real people are employed in these countries — people with skills that need to be refined, people with career aspirations, people, in short, who require and demand access to development programs.

The issue is that these people, their needs, how they learn, and the languages they speak, are not common. In Europe alone, there are 230 living languages, 41 of these are officially recognized by the various governing bodies, and 20 are

EU Sanctioned Languages

Czech
 Danish
 Dutch
 English
 Estonian
 Finnish
 French
 German
 Greek
 Hungarian
 Italian
 Latvian
 Lithuanian
 Maltese
 Polish
 Portuguese
 Slovak
 Slovene
 Spanish
 Swedish

sanctioned by the EU. In Africa, there are 28 officially-acknowledged languages from the more than 2,000 spoken in the region. The Middle East contributes an additional three to this mix bringing the total for the EMEA region to 72 official languages spoken by your employees. In Asia, the complexities continue. In India, 15 languages are spoken by more than 25 million people each. In China, there are 7 main dialects, and numerous sub regional dialects.

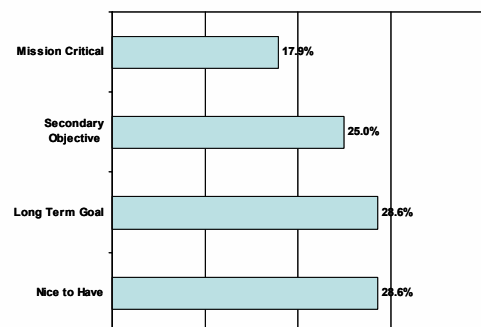
Many companies adopt a “language of business” that everyone is expected to speak to work at the company. Usually this is the native tongue of the company’s home office. Even if this were practical for some companies, it still does not address the real opportunity to better connect and grow your employees.

Imagine the value of a cashier who was able to master the point of sale system faster, or a local sales force that could retain and apply the newest product features and address customer pain points with greater consistency. These are your ROI metrics for training, and the goals for your international programs are the same as those for your domestic efforts. In order to achieve those goals with the same degree of confidence and efficiency requires you to provide your multicultural audience with the same degree of comfort and accessibility available to your domestic teams.

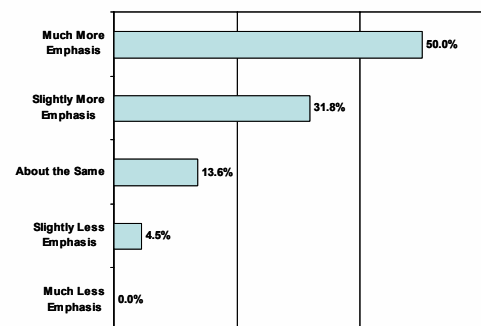
Companies are recognizing this reality and are stepping up the pressure on their training organizations. In a recent survey conducted by Frost & Sullivan, over 52% of training leaders reported that there was “much more” emphasis on developing training with a global audience in mind than three years ago. This increase in focus has also elevated the role of globalization in the training organization from a traditional “nice to have” to almost 20% of respondents claiming it is now “mission critical” to their success.

As companies accelerate their expansion into emerging economic regions, their employee development efforts must strive to keep pace. Achieving success in these new markets will be predicated on the ability to recruit and develop local talent to perform at the same measure of productivity and service as the most stable region. Leaders in these regions will increasingly look to leverage the experience and investments of more established territories, yet the approach to employee development must be tailored to meet the unique needs of the local team.

How would you rate the importance of developing and implementing a Globalization Strategy within your learning organization?



Compared to three years ago, how would you rate the emphasis on developing training with a global audience in mind in your company?



Your ability to repurpose existing materials for use in other countries is critical to quick execution and ensures maximum return on your investment. The following sections will outline some of the barriers to delivering existing training to an international audience and provide design criteria for future modules that will enable you to architect your courses for a global release and minimize costly and time consuming localization efforts.

The Case of Training

In recent years, non-traditional delivery methods have become more prevalent as the cost of travel and perceived loss of productivity associated with traditional classroom-based, instructor-led programs have forced coordinators to look for more flexible solutions. From this has emerged a multitude of programs designed to bring more options to more people. Whether you call the programs “Distance learning,” “eLearning,” “on-demand training,” or “train the trainer” efforts, the net result is that the pace and timing of learning is now placed into the hands of the recipient. This accessibility has served to broaden the reach of corporate training efforts, and enabled programs to become more specialized, to reach deeper into the organization.

In many cases, however, this shift has eliminated the personal interaction between student and instructor. As a result, the impact of the course is no longer driven by the quality of the instructor, but instead is determined by the comprehensibility of the content itself.

Whereas in a classroom setting, an instructor can gauge the understanding of the material real-time through the number and style of questions being posed and adjust the pace and style of the lecture accordingly, an eLearning course cannot. Students may opt out of modules or material may be repeated if a student scores poorly on an element of the test, but the content and mode of delivery is finite. Because of this, greater emphasis must be placed on the architecture of the course, the development and applicability of analogies, anecdotes and examples, and the test structures used to determine comprehension and application.

These challenges are amplified when the participant population is multi-national. Elements like language, images, and examples must all be developed to be culturally neutral, or localized to be culturally specific. The physical architecture of the underlying course technology and delivery media (e.g. web versus CD-ROM) must be analyzed to ensure seamless global execution. Finally, test models and performance expectations must be reset to accommodate cultural differences in traditional schooling to ensure you are accurately testing the student’s knowledge of the subject and not their personal comfort with a certain testing approach.

Barriers to Global Training: Language is Just the Beginning

As previously described, there are a wide variety of languages in use in your company today and making your training available to speakers in their native tongue will dramatically improve their engagement, retention, and application of the instruction. This applies to the language spoken by the instructor (whether live or recorded), the language used in the supporting training materials

(binders, presentations, workbooks etc.), and the language used in the follow-on reference materials (books, websites etc.).

While it is best to offer multilingual versions of all of these elements, even offering one can have a dramatic impact. For instance, an instructor speaking the local language can more readily address questions that arise during the session and overcome any confusion resulting from non-translated course material. Conversely, a course that is delivered by an instructor speaking English only can be enhanced by ensuring the course material and exercises are available in the local language. This will enable the participants to more thoroughly comprehend the verbal presentation and ask more comprehensive questions pertaining to the content and not mere clarification questions resulting from a misunderstanding of the English delivery.

But, language is just one element of the overall program that must be considered when introducing courses on a global scale. People learn differently and as such a variety of media and approaches are used in a typical course. Graphics, analogies, testimonials, and assessments are all crucial elements to delivering your message and gauging its effect. As a result, you must examine each of these components as well when considering the impact on the audience.

Graphics and images, for instance, are a powerful tool for trainers. They help to reinforce a message and can present complex concepts in a logical, organized manner. Graphics can also be fun and add a bit of levity to a session. Unfortunately, graphics are not universal. The message they convey and the resulting impact they have is determined by the social context of the local audience. Sports images, for example, are common in corporate training sessions as they convey elements of competition, individual effort, and teamwork. However, sports are highly regionalized and therefore associated images must be reviewed and adjusted to ensure the message conveyed is the message intended.

Likewise, analogies, metaphors and anecdotes can help an audience understand and relate to difficult or new concepts. As with graphics, however, the applicability of these devices are highly dependent on the cultural and historical context and environment in which they are employed. Here, the risk is not merely a missed concept but the very real potential that your analogy might offend your audience. For example, in a sales seminar conducted in the US, it might be common to describe a particularly successful sales manager as the “top dog.” This would be seen as complimentary. Yet, in other cultures, such a reference, even casually, would be highly insulting regardless of the language in which it is delivered.

To a lesser degree, the references and testimonials offered during the session must also be adapted for the local audience. Whether they are provided by third parties or internal employees, their impact and relevance is diminished when they are “imported.” In order for people to relate to the content, they must feel as though the references approached the problem the way they themselves would, that they had the same local constraints or concerns, and that they performed in the same environment as the participants will be asked to operate.

Finally, the assessments and tests utilized to determine proficiency with the course content must also be tailored to suit the local environment. School systems and approaches to early development vary from region to region and so too do the methods for testing. In some cultures, use of multiple choice questions is a common practice employed from elementary levels on. This seemingly simple device would prove confusing to students from a culture where such structures are not employed in their educational systems. Failure to acknowledge and address such cultural biases would result in testing the student's comfort (or discomfort) with the test format rather than their mastery of the course content.

Developing Effective Global Training: Plan for Diversity at the Start

Many of these issues and concerns can be corrected with a comprehensive localization program as outlined in the following section. However, the cost associated with deconstructing, localizing, and re-assembling the course for delivery in a variety of languages and locales, is often prohibitive. As a result, companies are forced to make sacrifices with most opting to "just translate the language; people will have to live with the images."

Most would agree that such a scenario is not optimal but feel there is little alternative. The reality is that applying a bit more forethought and adopting a broader perspective when conceiving and designing the original course can avoid much of this expense and enable a more seamless, culturally-aligned global program. Lionbridge has advised clients during the creation of hundreds of courses. Building off of this experience, we have developed the following checklists for global course creation:

For course content:

- Engage your localization vendor early to provide advice and counsel
- Solicit requirements and expectations from your local market trainers/managers
- Recognize that complexity adds cost and time to the localization process
- Minimize the use of sports, historical, or pop culture images and analogies
- If you are unsure about the applicability of a concept, ask before incorporating it

For course materials:

- Ensure fonts support all languages (e.g. double-byte Asian characters)
- Layer text and graphics versus embedding them as a single flat image
- Allow for text expansion (German or Japanese can take up to 30% more space)
- Allow for changes to date/time formats, units of measure, currency, etc.
- Review all images for cultural sensitivity and applicability

For eLearning modules:

- Understand and make accommodations for local market infrastructure (bandwidth, versions and capabilities of media players, etc.)
- Limit the number of human "characters" to contain costs (each language will likely require separate recording talent)

- Produce sample voices for in-country review to ensure dialect accuracy
- Enable easy generation of audio/video scripts
- Simplify the synching of audio to on-screen text to accommodate the different pace and grammatical structure of other languages

Incorporating these simple design parameters into your course creation effort should not impact your overall development schedule too greatly and will dramatically reduce the time and cost associated with correcting these issues later in the process. Adhering to these design principles will also enable your international audience to receive the same value from the session as your domestic team, thus improving your ROI for the course.

As your business expands, people can often feel isolated from the direction and opportunities apparent in the “home” market. An effective translation strategy and global training program can bridge this divide. By improving the availability and accessibility of your corporate training and materials for all employees, you are making a statement about their role and the value the company is placing on them; regardless of how far away they sit from headquarters.

Contact Information

About Lionbridge

Lionbridge Technologies, Inc. (Nasdaq: LIOX) is a leading provider of globalization and testing services. Lionbridge combines global resources with proven program management methodologies to serve as an outsource partner throughout a client's product and content lifecycle — from development to globalization, testing and maintenance. Global organizations in all industries rely on Lionbridge services to increase international market share, speed adoption of global products and content, and enhance their return on enterprise applications and IT system investments. Based in Waltham, Mass., Lionbridge now maintains more than 50 solution centers in 25 countries and provides services under the Lionbridge and VeriTest™ brands

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