

Translation Craft, Ireland: SME case 05

Translation Craft: Example of "new self-employed"

The logo for Translation Craft, featuring the words "Translation Craft" in a bold, blue, sans-serif font with a slight shadow effect, set against a black rectangular background.

This case illustrates how teleworking arrangements can facilitate entrepreneurial undertaking. It also highlights the beneficial aspects of having industry standards in place for the operation of the scheme.

1. Name of Company:

Translation Craft Ltd.

2. Function of Company, i.e. what business are they in?

Translation Craft is a Dublin-based software localisation and development company, established in 1995 to provide high-quality Brazilian Portuguese localisation services and localisation software tool to clients in Dublin and around the world. Since formation, the company has worked with major software houses, including Microsoft, Oracle, Corel, Visio, Symantec, HP, Canon, Kodak, Lexmark and McAfee. Translation Craft also provides localisation services to the major localisation vendor companies, such as International Translation and Publishing and Berlitz. Its tools development team has written two of the industry's standard QA tools, HelpQA, for cross-language verification of RTF-based Winhelp systems and HtmlQA, for verification of Microsoft's HtmlHelp and more generic Html-based information systems.

3. Distinctiveness of the case, i.e. why was this case selected?

One of the primary reasons for selecting this case was to include a 'new- self employed' category in our sample of case studies. Another distinctiveness of the case is the way in which the initiative was set up i.e. without support from the government or any other partners. It was financed from owner-manager's private funds.

4. Description of the Initiative

Translation Craft represents an example of the 'new self employed'. It was established in October 1995, and the owner manager was instrumental here, who has relied upon his experience previously gained in the software industry. This Dublin-based company has a workforce of 6 people. These 'employees' are predominantly self employed and are paid a fee according to their output. They are hired according to their skill set and twined with the specific project requirements. The growth of the company arose from early successes with small projects, and experience was leveraged from project to project.

Neither outside assistance nor interested parties were involved in setting up the initiative. The implementation phase was very brief as successes in projects quickly became the norm for the doing business. Initially, relatively small projects were undertaken in order to verify whether the initiative, as envisaged, was feasible and manageable. However, from its very conceptualisation it was client-led and this focus was maintained and expanded. Clients and some industry players were the main sources of the information, which was subsequently used to set up, organise and even manage the initiative.

The initiative is of primary importance to the company and as such, it has been expanded and is still ongoing. A dependence upon the development of the communication infrastructure, as well as developments in the software industry are cited as the key factors impinging upon the strategic development of the initiative. These factors are perceived as being outside

company's control, perhaps lending some support to the outsider's view of the Strategy/Response as being primarily reactive.

The ICT requirements of the initiative are rather extensive, relative to its size. All workers are equipped with PCs, some of which have the additional features such as read-write CD drives (CD-RW), zip-drive and scanners. The fax server will be installed in the new premises. The scheme relies upon extensive computer software such as text processing, spread sheets-Excel, Microsoft Access & Sequence server database, ITB file transfer, Lotus GroupWare, and some industry specific software like JAVA. In addition, the company has its own software solution enhancing file transfer and security.

A variety of telecommunication networks are already in use such as analogue telephone network, X25 and zero-based network server, while staff have mobile phones. In addition, the company is in the process of installing an ISDN line. Office telephones with answering machines are also available. The scheme is particularly dependent on e-mail communication and there is a mainframe based e-mail system in operation, as well as LAN based e-mail. File transfer to other PCs enables homeworking. Interestingly, very few problems were reported in the development of the initiative - one minor problem related to the lack of familiarity with a particular software package used. This problem was overcome by 'user education'. The other problem reported related to managing the volume of communication required by the large projects involving many partners. While the former type of problem is somewhat revealing as far as training policy is concerned, the latter one is more interesting- it tends to suggest that the communication problems are present even in 'virtual organisations', albeit perhaps different in nature. Furthermore, depending on the type of work undertaken, the 'traditional' communication problem may even be exacerbated, given the greater volume of information, leading sometimes to potential for information overload. On the other hand, reliance on the e-mail for internal communication proved useful given that it provides a record.

5. What changes, if any, have taken place since the scheme started?

The scheme initially started with only two 'employees'. Due to the expansion of business (in scope) six are now employed. Also, the usage of subcontractors has increased both in their numbers as well as in the frequency they are used.

However, no significant changes have occurred as far as managerial style or organisation/conduct of the business is concerned. The Managing Director does not foresee any such changes in the future.

6. Innovative aspects, of the Initiative

Staff remuneration scheme is completely market driven. Wages represent a fee for the job done.

Apart from remuneration, staff evaluation is also entirely market or industry based (e.g. translators are not only paid by numbers of words - they are expected to perform to the industry set standards). Market criteria even assists manager in task allocation - different projects with different levels of complexity are allocated to different staff, according to the previous experience gained in the industry/open market and / or industry specific formal testing methods. Finally, the recruitment and selection process was also entirely facilitated by the market (and led by it).

Of course, it can be debated to what extent the above mentioned issues are 'innovative aspect(s)' of this particular initiative. In any case, the presence of these issues has had a significant impact upon the managerial style. It appears that supervision and control are to a significant extent delegated to the market.

7. Benefits of the Initiative

The primary advantages given were tangible benefits such as lower office costs and higher productivity in relation to traditional organisations. Furthermore, it was also reported that the quality of work done has been enhanced. The rationale for this is the fact that the workers ultimately, 'work for themselves', which combined with the exposition to the market forces (by its nature, their work is competitively assessed) gives them an additional impetus to maintain very high level of quality in their work. Linked to the above is employees' relatively high propensity to learn. According to the manager it is noticeably higher than in the traditionally

organised companies and the same applies to willingness to acquire new, additional skills. Another perceived benefit of the initiative is use of Management by Objectives. The whole system in itself is result driven. Furthermore, there is more room and flexibility for managing some subtle interpersonal relations (e.g. allocating staff to different projects according to the inter-personal affinity).

8. Barriers to the Initiative

The only perceived barrier was the fact that the company cannot influence developments in the (national) communication infrastructure and (international) software development – in other words, total dependence upon these external factors was given as a potential barrier.

9. Impact(s) of the Initiative

The initiative had a significant impact on the individual level. It was emphasised that the availability and the use of external contractors positively influenced expediency and quality of work. This was achieved mainly by introducing market forces at the individual, internal level. So, the exposition to the market forces is not confined to the company. Rather, it has been extended, and in some way re-directed towards each individual worker.

As far as the nature of work and working conditions are concerned the impact here is significant. Thus workers are expected to manage their 'own affairs' (e.g. absence and holiday, interruption of work due to illness or maternity, and social security coverage). At the same time, they are permitted to perform work from home, without specific requirements to be reachable at all time.

10. Lessons Learned from the Case Study

Despite changes in both managerial style as well as in the context it has been conducted in, some traditional managerial attitudes are still present in this new self employed organisation.

The company is also taking full advantage of the existence of industry standards, (e.g. for remuneration, task allocation, security of data). Finally, there are some implications for employee relations and new ways of working. The company relies on time limited and part time employment contracts and on the usage of external contract labour. The social security coverage of employees is largely their own responsibility, consistent with the term 'self-employed'.

It appears that the self-employed category can be rather varied, mainly depending on the market assessment of the skill profile possessed by this group. Given the characteristics of the market process itself, this leads to divergent outcomes and was noted even in this relatively small company. Thus a self-employed *programmer* was in a much better position to command higher remuneration package than *translators*, for example. True, similar outcomes in the labour market (i.e. different occupation commanding different remuneration packages) are widespread and are not necessarily confined to teleworking initiatives. Nevertheless, this phenomenon is worthwhile noting.

Developments in the ICT area allows for the early integration of teleworking schemes into an overall business strategy and this case study is a good example of this phenomenon. It is plausible that more and more companies will in the future be entirely 'thought out' in this way. Furthermore, this 'Greenfield type' of developing teleworking initiatives might become more widespread, not least because of the zero resistance to it from the workforce. Finally, the existence of industry standards makes the conception /running/managing of the scheme easier.

11. Expectations and Future Organisational Plans

Some redesigning of the initiative is envisaged, depending upon the demand for localisation services in software industry. However, the changes envisaged are expected to be largely technical in nature, with no sign of significant changes in the running/operating of the initiative.

Overall, the expectations regarding the future trends are positive, given the prospects of the industry sector.

12. Contact Information:

<i>Name of lead organisation:</i>	Translation Craft, Dublin, Ireland
<i>Contact name:</i>	Robin Hilliard, Managing Director
<i>Address:</i>	
<i>Telephone:</i>	+353 1 2836336
<i>Fax:</i>	+353 1 2783572
<i>Email:</i>	info@tcraft.com
<i>Web site URL:</i>	www.tcraft.com