PERSPECTIVE

Delivering Cost Efficiency
through Language Neutralization

- Jan Skotak with European Sales & Fulfillment Centre of Excellence

Abstract

Language neutralization of business process is often overlooked opportunity for further cost savings and improving the customer experience. Removing language barriers and cultural context opens the door for innovative business and delivery strategies that companies can exploit. Language neutralization approach can provide a base for an efficient operating model for global companies on their path to successful business transformation

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In today's world of rapidly changing business environment cost pressures are encouraging more and more companies to gain the benets of pooling services and locating them where skilled labor is aordable. Many enterprises today operate across the globe, conducting business in numerous locations increasing the need to manage business processes and business data in various languages. In their strive to cut costs decision makers often overlook a possibility that can signicantly improve their cost eciency - turning their language dependant business processes into a language neutralized process environment. Such step can give companies competitive advantage, allowing them to seek further cost benets through centralization and harmonization of business processes, serving dierent local markets.

Language Neutralization Definition

Language neutralization can be defined as a method of making a process that, in order to run successfully, requires people with knowledge of a particular country language, culture, and other specifics, "language" neutral" i.e. the process can be supported by people with English language skills and only with basic understanding of local country specifics.

Costs

Executing a business process that is heavily dependent on language skills requires a lot of management and recruitment effort. Hiring resources with different language capabilities in different parts of the world to support your global operations, managing these, often separated geographically, units to act as one team and tackling the cultural differences between them impacts the bottom line of the company adding supplementary financial burden on its shoulders. By removing entirely or a part of the language dependencies companies can take advantage of reducing labor cost, by hiring resources that speak only one common language.

Standardization

Executing a process in several different languages usually implies communication and cooperation with different stakeholders in the organization, responsible for different local markets. Often this leads to disparate and nonstandardized procedures that differ from location to location. By language neutralization, business process management is eased and process can be standardized under one common process backbone.

Enhanced Delivery

Language neutralization provides an opportunity for global companies to seek further cost benefits through centralization of business processes in shared services centers. Once consolidated in an onshore captive center new horizons can be explored for a global delivery of the process from on-shore, near-shore and offshore locations. While language dependant parts of the process often remain on-shore, supported by experienced language fluent staff, the language independent segments can be centralized in near-shored or offshored to low cost locations, delivering further cost

benefits in terms of cost arbitrage and productivity enhancement. This is how companies can be supported by a global delivery model, executing parts of one and the same process from different locations

Outsourcing

Centralizing services into a single shared services entity offers some proof of location independence and allows companies to comfortably consider transferring an operation to external, outsourcing provider.

Methodology Framework

Successful language neutralization depends on a number of factors like maturity of the process, degree of written versus voice communication, opportunities for automation and of course willingness and management focus to invest in such process re-engineering. Several key steps can be outlined in the approach to language neutralization:
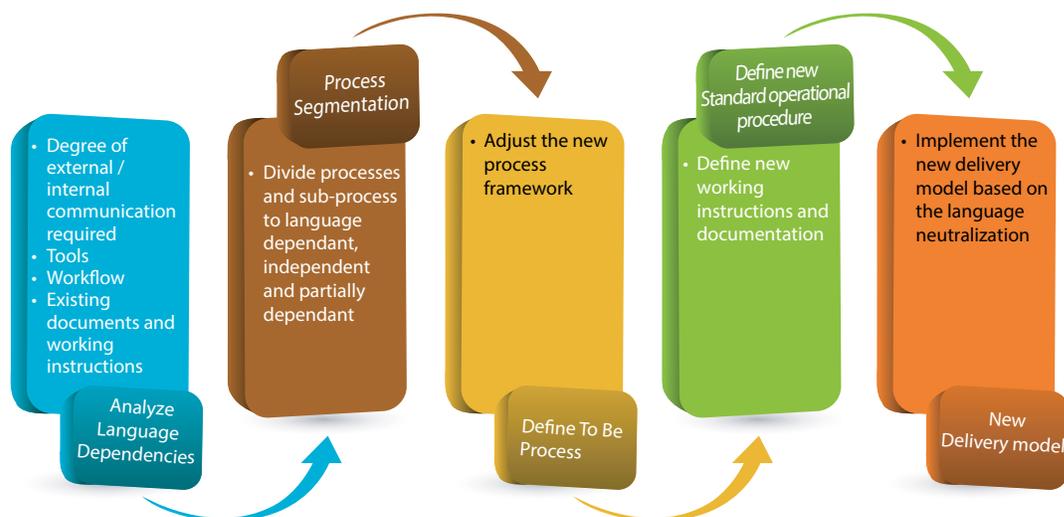

FIGURE 1   Key steps in language neutralization of a business process   *Source: Infosys BPO*

TOOLS	All tools involved in the process need to be reviewed for language dependency and opportunities for language neutralization.
WORKFLOW	Analysis of the current workflow structure and its indirect language dependency. Is the workflow smooth with transactions going through various process steps without any major involvement of various groups or departments? Or tasks are often unclean, passed back and forth between departments, thus increasing the need for clarifications and additional communication?
WORK DOCUMENTS	Review of language dependency documents that are produced during execution of a process

Process Segmentation

Based on the performed analysis, existing process are segmented and broken down to smaller components. This is done in order to have an overview of the real complexity and language dependencies of the operations. Different segments are grouped in three main categories depending on their complexity and language dependencies - language dependant, language independent or partially language dependant process. This will outline the final picture - what components of the process can be neutralized and what parts shall remain language dependant.

Define To Be Process

Once the process is analyzed and all of its components evaluated for language dependencies the "To be process" can be designed. It should focus on removing the exceptions driven by local context or people, minimizing the number of handoffs between different departments, unifying the response expectations in different geographical locations and dividing the language neutralized components from the language dependant ones.

Define new SOP & Delivery Model

Putting in place a new standard operational procedure (SOP) defines the new process rules. Strict rules of communication between the teams executing language dependant and language neutralized parts of the process should be established, to ensure its smooth functioning. These new procedures should be reflected in one common process backbone with the relevant up to date process documentation. Once language neutralization is in place a new delivery model for the whole operation is established. It re-bundles activities into end-to-end process. The new leveraged delivery model allows companies to seek cost benefits from concentrating all language neutralized operations at one captive center or seek even further optimization by moving the language neutralized operations to offshore locations.

Language Neutralization at a Glance

Based on our experience with clients to whom we helped in this transformational journey language neutralization can lead to savings of up to 40% in process operation costs. While transaction based process are usually good candidates for language neutralization, it can be applied even to judgment based activities, however a more customized approach should be taken.

Segmentation between language dependent and language independent parts is strictly impacted by the nature of the process. Figure 2 below shows a sample of language neutralization in a Sales & Fulfillment field, specifically in service contract management environment of an Infosys client.
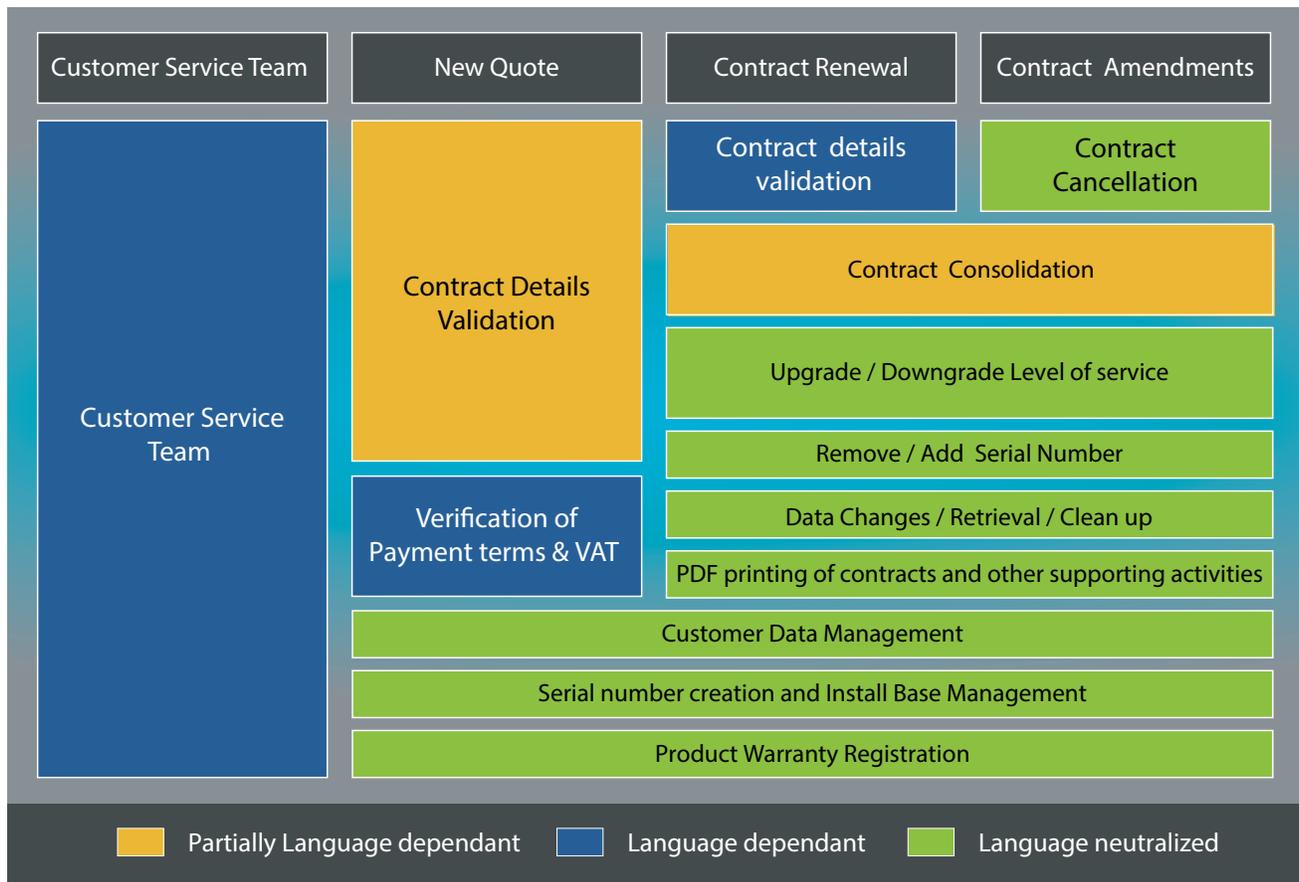
Customer Service Team	New Quote	Contract Renewal	Contract Amendments
Customer Service Team	**Contract Details Validation**	**Contract details validation**	**Contract Cancellation**
		Contract Consolidation	
		Upgrade / Downgrade Level of service	
	Verification of Payment terms & VAT	**Remove / Add Serial Number**	
		Data Changes / Retrieval / Clean up	
		PDF printing of contracts and other supporting activities	
	Customer Data Management		
	Serial number creation and Install Base Management		
	Product Warranty Registration		

■ Partially Language dependant   ■ Language dependant   ■ Language neutralized

| FIGURE 2 | Segmentation of processes in Service Contract Management operations | *Source: Infosys BPO* |

Enablers

Neutralizing language dependencies requires innovative approach and combination between the right technology and the right people Sometimes relatively uncomplicated solutions can lead to significant decrease of the language dependencies.

OCR SOLUTIONS
Provide a wide range of possibilities for language neutralization. Documents coming in different languages can be transformed in a standardized output of information

AUTOMATIC DICTIONARIES
Designing macros driven dictionary with key words from the process.

TEMPLATES
Standard templates can be used for example in different European languages with editable fields for case specific inputs.

SELF-SERVICE PORTALS
Enabling customers to create new service requests and find solutions via the web 24 X 7; this improves productivity, reduces the total cost of operation and eliminates the need of follow up calls

CROSS TRAINING
Cross training of resources working in processes with similar scope of work, but in different languages is a critical component that can provide easy scalability of the operations.

Conclusion

Successful language neutralization leads to better alignment of business activities and opens the door for innovative business & delivery strategies and further automation of processes. Transparent process with language barriers being removed is ready for further standardization and improvement. It gives an opportunity for companies to explore the possibilities of moving such work to a low cost location, managed by an outsourcing provider. By multi-shoring, the outsourcing provider can offer front end support of the language dependant parts with skillful resources, while the rest can be executed in a language neutralized environment from off-shore location, improving productivity and lowering costs of operation. Freed resources with language capabilities and high end skill can be moved to added value projects or can concentrate on improving customer service experience.

About the Author

Jan Skotak leads Infosys BPO European Sales & Fulfillment client operations and heads Infosys European Sales & Fulfillment Centre of Excellence. Jan has more than 12 years of experience in different roles in BPO operations and business management & consulting. He is a master degree holder from Technical University of Brno.

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