

TRANSLATION AND MNC EFFECTIVENESS

In an attempt to say, in a vivid manner, that the new US administration was concerned to start afresh in its relations with Russia, at a meeting with the Russian foreign affairs minister Sergey Lavrov, Hilary Clinton presented him with a box that had a red button on the top, which he was invited to push. The idea was to symbolise a re-setting of the US-Russian relationship. She even suggested to him that they ‘worked hard to get the right Russian word’. His response was blunt: ‘You got it wrong...It should be *perezagruzka* ... [not] *peregruzka*, which means overcharged’ (Elliott, 2009, 22).

As the above example highlights, in a multi-lingual world, translation is an ever present reality for those involved in international business, foreign affairs, inter-government agency cooperation and sporting bodies. The increased translation demands of EU expansion are illustrative of the growing need for translation in the world economy despite the emergence of translation enabling technologies, such as machine translation, and the rise of English as something approaching a lingua franca in international business. Within the EU, there were, as of January 1, 2007, 23 languages with official status, although the bulk of translation work involves the three main languages of English, German and French. However, in addition there are localised languages, such as Catalan, that have been authorised for limited use within the EU. As a result, translation has become a major task for the European Commission, at a cost exceeding one billion Euros (Branchadell, 2007). In a global context, businesses and institutions such as the EU are not the only ones competing for high quality professional translators. The rise of the so-called war on terrorism has led to a sharp rise in the demand for foreign language capable staff in military and intelligence services around the world (White, Matteson and Abels, 2008).

Surprisingly, while there has been a recent upsurge of research on the role of language issues in international business studies, translation has received limited specific focus. It tends to be regarded as having been covered in, or subsumed under, the broader treatment of language aspects (not unlike the way language is often treated - as simply reflective of culture in general). However, the emerging studies of language in the context of firms’ international operations do reveal enough about translation aspects to point to the need for, and potential value of, a specific focus on translation as a process,

and its broader impacts (Barner-Rasmussen and Björkman, 2007; Henderson, 2005; Janssens, Lambert, and Steyaert, 2004; Marschan –Piekkari, Welch and Welch, 1999).

Within multinational corporations (MNCs), a common approach to handling language diversity has been to adopt a common corporate language; often, although not only, English. While this solves an array of diverse translation demands across the MNC, it simultaneously generates a set of new translation requirements associated with the need to move into and out of the corporate language in different language environments (Marschan-Piekkari, Welch and Welch, 1999a). For example, Sørensen's (2005) survey of 70 corporations operating in Denmark illustrated how documents sent to headquarters from subsidiaries operating in a foreign language context need first to be translated into the relevant company language. As we will discuss later, the translation process is not straightforward with potentially adverse consequences for the subsidiary and the MNC in general (Marschan, Welch and Welch, 1997).

The purpose therefore of our article is to explore the process and impact of translation on internationally operating enterprises. Drawing on an empirical study of a large Nordic bank, our findings demonstrate the nature and role of translation: how it is handled in the business context, its demands and costs (monetary and otherwise), and the wide range of effects that translation may have on the operations of internationalising companies. As well, it is of note that in our study, managers were found to have had less control over the translation process than they assumed. Translation is shown to be an important process: it facilitates day-to-day communication within a MNC and has strategic and productivity implications. Thus, our contribution is to contextualise the translation activity. Using the MNC as the setting, we illustrate the many ways in which individuals and organisations go about solving translation demands; and the impact of translation on MNC operations and effectiveness. An important finding from the study is the role of social networks – what could be called inconvenient, in that they are problematic to control and there are issues surrounding the utilisation of personal and company social capital. Translation tends to be perceived by MNC management as peripheral but our study suggests it permeates many facets of international business processes and systems, with associated implications for MNC effectiveness. These issues

come to the fore when the MNCs concerned are primarily service organisations in which there is a strong customer interface with diverse language requirements.

In this article, we use the term translation in an over-arching way, covering both written and oral communication, though recognising that ‘translation’ is generally taken to refer to written communication whereas the interpreting function refers to oral ‘translation’ activity. In many business situations there is often an interweaving of these two components to such an extent that the distinction between these two aspects becomes blurred.

Translation

Defined as the process of moving communication in any form (verbal or written) from one language to another, at first glance, translation seems a relatively simple activity. However, a company may be operating in an environment where as many as five languages are used in the daily workings of the company: the local language, the language of the parent company, the language of suppliers and customers, and the languages of employees (Jacobsen and Meyer, 1998). This raises issues of cost, timeliness, confidentiality, security, and effectiveness. As we will demonstrate, translation may be an onerous, daily task in many different localities for companies involved in international business operations.

If we simplify the process as involving two parties, for a communication to be transferred effectively, one of the parties must convert the communication into the language of the other. Translation could be activated automatically, for example through a translation software program; or through a decision that translation should be carried out, for example, via the use of a translator. This applies whatever transfer medium is used – be it handwritten on paper, in electronic form, or verbally face-to-face. The translation could be undertaken on the spot, through self translation by the sender or receiver. Alternatively, the sender and/or receiver might call on external assistance in some form to carry out the translation activity. Another issue is which party should undertake the translation task, and who should bear the cost of the exercise: sender or receiver?

Translation and Communication within MNCs

It is somewhat obvious that communication processes within MNCs typically entail a substantial translation component. This applies even though the adoption of a common corporate language within MNCs has been a common response to the need to ensure effective communication between disparate global units. As Kogut and Zander (1992, p.11) have observed, “For cross-border information sharing and knowledge transfer, especially tacit knowledge, to be effective, communication integrity is vital”. In this respect, language is clearly a key resource and facilitator, and translation at different points is an essential element – particularly when moving between the corporate language and local languages.

It is a difficult exercise for MNCs to ensure that translation does occur when needed, and that the quality is such that the message or information is not compromised. Louhiala-Salminen (2002) studied the communication patterns of two Nordic MNCs, Nordea and Stora Enso, created from cross-border mergers. She found that the bulk of communication (about 80%) was internal, and mainly in oral form – the more difficult form in which to assure the translation process. Given the immense number of translations carried out across a MNC during any period, in so many different situations, involving so many different languages, the managerial task of controlling what happens, of ensuring the integrity of communication, is momentous. For individuals with inadequate language skills, receiving documents that require translation may simply ignore them. For example, in a study of MNCs’ subsidiaries in Ireland, one of the HR directors admitted that if documents arrived from the French parent in untranslated form, little or no attention was paid to them (Monks, 1996). Similar examples were found in a study of Kone, the Finnish MNC (Marschan, Welch and Welch, 1997).

When translation is carried out within the subsidiary, the message may be filtered, modified or distorted in various ways, to suit local interests rather than those of headquarters or other parts of the MNC network, including the personal interests of the translator. The translator is in a position of some power, particularly when the level of competence in the company language is low in the subsidiary concerned (Marschan-Piekkari, Welch and Welch, 1999). Expatriates at foreign subsidiaries may be strong in the company language but have limited facility in the local language, and therefore are

highly dependent on local translators' skills in order to function within the subsidiary. Local staff can change the content and intent of the information in a deliberate way. Because of their limited fluency in Japanese, Nordic expatriates operating in Japan were found to place considerable importance on their bilingual secretaries as information sources. They experienced information being withheld or altered by Japanese managers. One expatriate president explained that 'information is filtered on the way' (Peltokorpi, 2007, p.75).

There is also the issue of the translation of technical information. Research is showing how language proficiency of itself may not be enough, particularly when the technology is highly specialised and confidentiality is an issue. It can reduce the availability of suitable staff or constrain the use of external translation services. Tan and Gartland (2009 pp. 12-13) report the experience of a British manufacturer of wireless infrastructure products which set up a subsidiary with two factories in China in 1999. The effective transfer of technology from the British parent was crucial to the success of the operation. An inability to find anyone with the required combination of "technical and linguistic ability" forced the company to use a senior production engineer for important translations, and accept that much of the assembly line employee training had to be "picture-based" to eliminate the need for translation as much as possible.

In the following section, we outline the empirical study which we undertook in order to expose issues pertaining to translation and its impact upon MNC effectiveness.

Methodology and Field Site

The purpose of the study was to capture translation practices 'in action': that is in the natural context of the multinational corporation in which they occur. Furthermore, the complexity of the translation phenomenon rendered the case study a particularly suitable research strategy. We adopted a case study approach in order to unravel how organizational members perform translation as part of their daily work. Our aim was to understand and explain translation activities, particularly informal ones, in the international workplace. Hence our research question was: how do people within

multinationals handle the translation requirements associated with working in a multiple language environment?

The case company, Nordea Bank AB, is a financial service institution operating predominately in the Nordic and Baltic countries. It is headquartered in Denmark. At the time of writing, according to the company's Website (www.nordea.com), Nordea had €26.2 billion in total assets; and over 33,000 employees globally, though mainly in Nordic countries. It was founded as a result of a series of mergers involving various Finnish, Swedish, Norwegian and Danish banks between 1997 and 2000.

Nordea was considered to be an appropriate field site due to management's cognizance of and concern for the effects of language on its operations, based on insights from previous reported case studies on Nordea (Vaara, Tienari, Piekkari and Sääntti 2005; Piekkari, Vaara, Tienari and Sääntti, 2005). Nordea also fulfilled the criteria of a MNC whose employees met the challenge of working in different languages in day-to-day operations, to the extent that it had established translation departments. The company had received some negative press in the Finnish media as a consequence of announcing a new share issue only in two languages – English and Swedish – despite having a substantial Finnish shareholder base. Moreover, it was a service firm with a high level of customer interface. This is reflected in the way it links the language policy with its stated values. For example, it emphasises “great customer experiences: we communicate with the customer in mind” (Nordea's Language Policy document). The language policy is provided in three languages: Finnish, Swedish and English. While parallel language use is permitted for internal communications, “internal cross-border communication in English will only be translated into local Nordic languages if it is targeted at all staff” (Nordea Translation Guidelines). It was therefore considered likely to represent an information-rich case (Patton, 1990).

The official corporate language is *British* English, used in internal cross-border communication. Its various foreign units operate their respective local languages when dealing with local customers and of course in day-to-day interaction internally within each unit. However, in December 2001, when the company changed its name to Nordea and the corporate language switched from Swedish to English, translation departments were established in each of the Nordic country operations.

The empirical study was conducted in 2009 with employees from the Finnish operation, partly due to access, but also due to the country's bilingualism (Finnish and Swedish as the country's official languages) and the central role of these languages within Nordea. The study comprised three separate components: focus group, group discussion, and individual interviews (see Table 1). All were conducted in Finnish and then translated into English by the research team.

An email questionnaire was randomly sent to 348 people in ten different Nordea departments to see whether they would spontaneously identify themselves with a situation in which language boundaries are frequently crossed and translation activities are part of their daily job. Thirty-seven people responded (10.6%). From these, six people were chosen for a focus group discussion. All were from the same hierarchical level – senior management who indicated that they encountered foreign languages regularly in the course of their daily work. Two of the researchers acted as discussion moderators (Moisander and Valtonen, 2006). The focus group participants were active in expressing ideas and feelings and conversed freely (Catteral and Maclaran, 1997). The video recording of this session formed part of the data.

A second group discussion at a different branch location was held with three participants from two departments (see Table 1). The purpose of this group was to draw out perceptions from those working directly with Nordea's customer base. This group was drawn from a lower hierarchical level than the focus group. The discussion followed a similar process, with the researches acting as facilitators and was also video recorded.

Table 1: Informant Profiles

Data collection format	Number of informants	Language facility
Focus Group	Total 6; four males, two females	All spoke Finnish, Swedish and English; 3 of whom had at least one other European language
Group Discussion	Total 3, two female, one male	All spoke only Finnish and English
Interviews	Total 5, two females, three males	3 had Finnish and weak English; one spoke 8 languages; one Finnish, Swedish and English

Using responses from the initial email survey, five interviewees from different departments were selected; three of whom indicated they did *not* have good language competency in foreign languages, nor had ready access to translation aids. Another was the head of the translation department in Finland. The remaining interviewee had indicated a heavy involvement in translation activity and spoke eight languages (see Table 1). These individuals provided a different perspective to those who participated in the group sessions. Semi-structured interviews averaged one hour. All were recorded and transcribed, then checked for accuracy. Manual coding was conducted due to the small sample size involved. Data analysis was first conducted based on the informant's position in the organizational hierarchy. One researcher was working for Nordea at the time of the study; another had previously been a Nordea employee. Thus our research team consisted of insiders and outsiders who could take critical distance from the emerging findings. Preliminary findings in the form of a company report were presented twice to key company informants for factual verification. When using the data, to assist in transparency while honouring informants' confidentiality agreements, we use FG, GD and I to denote whether the quoted informant was from the focus group, group discussion or interviewee sample respectively.

Emerging themes were, time taken in translation, the need for accuracy, a timely response to customer inquiries, and cost containment. These themes were somewhat expected but the use of social networks to facilitate translation was a significant, emergent, finding.

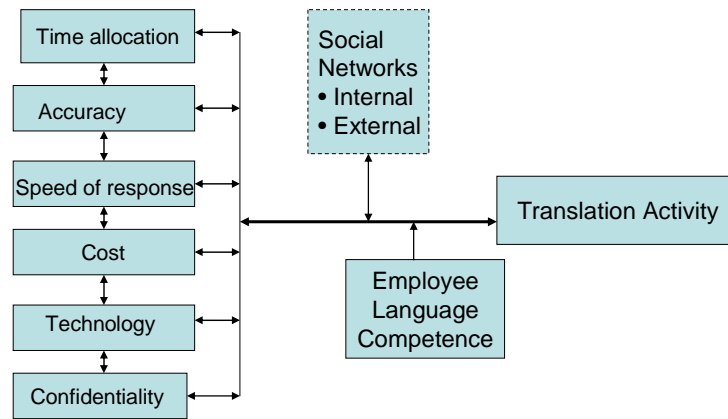
Findings and Discussion

By their very nature, the inter-Nordic bank mergers that formed Nordea resulted in an increased demand for translation. This had internal and external implications. Internally, the use of the company language posed translation issues. For example, most new product information was available only in English. Growth internationally via mergers meant globalising the customer base thus increasing instances of approaches by foreign customers; either via email requests, or face-to-face approaches, which involved English and sometimes other foreign languages, thus making the need for translation

greater. As we will later explain, adopting English as a common corporate language did assist in inter-unit communication and reporting but also provoked some challenges. However, the data also indicates how market expansion into other European countries, such as the Baltic region, created new external translation demands.

Our data analysis highlighted the way in which the nature of the business – a service-oriented MNC – was an important driver of translation demands. Nordea informants saw their translation responses as an important part of the provision of customer service. As well, there was a wide range in the nature and size of translation tasks that they confronted. Informants emphasised how they felt pressured in terms of demands on their time, the need for accuracy and quality, a timely response, cost containment, and the usefulness of translation technologies. These aspects were inter-related, as Figure 1 illustrates. We use this figure as an organising framework around which we discuss our key findings.

Figure 1: Influences on Translation Activity



Time allocation

Informants commented on the resultant need, post-mergers, to cope with increasing language diversity. For example, ‘there is more need for language skills nowadays than there used to be’ (GD). The data revealed that the need to translate was becoming more

common in the local customer service area within Finland, as some bank customers were not able to use Finnish, forcing employees to deal with non-Finnish languages. One informant commented: 'I feel a bit annoyed if I have to use English and therefore I often guide the foreign customers to my colleague who likes to speak English' (I). The resultant translation necessity was forced on bank employees regardless of whether they possessed relevant language skills or had access to formal language training. Informants stressed that the demand for translation arose erratically making it difficult to program translation activity into the normal work schedule of affected employees in an orderly manner.

For bank staff, there was a mixed response to the translation tasks faced, beyond the general concerns noted above. For those with relevant language skills, many liked the variety that the translation need added to their work pattern: for example, 'It is good variety to sometimes receive foreign emails...it also gives me pleasure when I can use my language skills' (FG) But such 'pleasure' evaporated when the tasks became numerous and burdensome, on top of the normal work schedule.

Accuracy

Another factor that emerged was that of accuracy (see Figure 1). The translation of official documents, such as contracts, where accuracy was perceived as critical caused particular concern, as one informant commented: 'It takes a lot of time to do official and difficult translations, and on the other hand I do not want to take responsibility [if] I got something right or wrong' (FG). Accuracy of translation was not seen to be an issue in face-to-face interaction with a customer: 'As long as the parties understand each other, the quality is good'. However, official documentation created a greater demand: 'The amount of attention that one gives to quality depends on where the document is going'. Those with contractual or legal implications were seen as necessitating more care: 'If it should be official, then someone else has to do it... I would not do it since my job description is not translation services'.

Of course, the issue of accuracy is linked with cost (see Figure 1). Highly precise or accurate translation can be expensive and take a considerable time. As our data

suggests, MNCs face the need to balance accuracy with the allocation of translation resources.

Timeliness

Timeliness emerged as an important consideration. As a service-oriented organisation, the bank placed great emphasis on timely customer attention. Translation sometimes created considerable pressure for affected staff, particularly given that there was frequently a need to respond as rapidly as possible in order to provide an effective service for the bank's customers. An example provided during interviews was that the customer would be waiting in person or on the phone for a quick response, while a queue formed.

Translation activities within MNCs may be further constrained by concerns about the security of company confidential information and knowledge related to areas such as sales strategies, technology transfer and training. This is one of the reasons for using internal, centralised translation services rather than relying on external service providers. Our data suggest that centralisation by itself does not solve the translation need when immediacy is a concern. The existence of centralised translation department within the bank was not seen as a ready avenue for assistance. The translation department mostly dealt with official and legal documents and these were given priority over internal requests. The resultant time delay was compounded by a perceived bureaucratic process: 'It is too complicated and official to send something to the translation department' (FG). Some employees were simply unaware of when and how to use the translation department: 'I do not know where the translation department is situated and I do not know how to contact them' (GD). In many situations, our informants indicated that the most appropriate translation was that conducted on the spot. This increased the need to have the requisite language at a high enough level of fluency, or have a colleague able to translate. Having enough suitably qualified staff, in language terms, on-the-spot can be difficult and expensive, and there can never be enough to cover all translation contingencies.

Immediacy often meant that informants had little time to react and assess the appropriate course of action to resolve a customer query or request that was in a foreign language (either face-to-face, or in email or document form). Informants in the focus

group contrasted this with the experience of those at a higher managerial level. Making decisions related to strategy had a wider time window, allowing adequate time to ensure accurate translation, either directly or through external assistance (such as using the translation department). The data suggests that hierarchical position may mask the nature and importance of translation to effective service provision. The literature on international knowledge transfer also highlights the need for immediacy in situations such as person-to-person training involving tacit knowledge, whether internal or external clients are concerned (see for example, Welch and Welch, 2008).

Cost

The costs incurred through translation were mentioned by informants as a constraining factor on translation activities: ‘We are very strict on costs and therefore on what needs to be translated officially and who does it’ (FG). The heavy demands of translation across all EU activities are illustrative of how costly translation can become in a multi-lingual context (Fidrmuc and Ginsburgh, 2007, p.1351; see also Fixman, 1990). Many MNCs cover an even wider span of languages in their global operations than the EU but, as the Nordea data indicate, much of the cost of translation is implicit or hidden (Welch and Welch, 2008). Companies are often resistant to the notional costs incurred in improving translation efficiency, but these have to be compared to the ‘orders lost, the misunderstandings, failed negotiations, frustrated meetings, poor internal communication and even blighted careers’ that can result from lack of action on this front (Lester, 1994, 44). In Nordea, the notional translation costs were those related to the centralised translation department’s operations, and those utilising its translation services were subjected to cost recovery. Informants commented on the high cost of using the translation department, accompanied by the need to seek permission to access this central service. In fact, the Nordea Translation Guidelines specifically enjoin that: “The costs involved in producing English as well as simultaneous local language versions of a given text should always be taken into account by the person(s) responsible for ordering translation”.

An aspect of cost noted by informants was the amount of their time that could be taken by translation activities, not only on their own behalf but also for colleagues. This reflects findings from other studies (see for example Marschan, Welch and Welch, 1997).

The language absorptive capacity of the receiver is also a factor when communications or documents are sent in un-translated form. High language absorptive capacity (ready availability and high level of language fluency of staff) reduces the extent of translation and cost of the translation task (Buckley, Clegg and Tan, 2003) Low language absorptive capacity meant that codification was still a costly exercise.

Technology

It was evident that a variety of technologies were being used by employees to assist in translation tasks, and these were being updated over time. These included translation programs and software, and interviewees indicated that these were of varying degrees of assistance. It seemed that the technical translation tools were appreciated for their role in speeding up the translation process for some tasks, but their limitations were noted as well. For example, one interviewee commented: ‘I use the dictionaries and applications but they are pretty limited’ (GD). There are many situations where high quality translations are not needed, and for many companies the consistency and speed of machine translation combined with translation memory systems (cf. spell-check software) are significant contributors to their expanding use and development (Hutchins, 2005, 2006). Loss of context when using the technical tools that achieved something close to machine translation was a concern.

Social Networks

As mentioned above, a key finding was the way in which employees used their social networks as a coping mechanism (see Figure 1). Nordea employees typically resorted to their networks only when they did not have confidence in their own skill levels. ‘I often trust my own skills and the quality of my translations’ (FG). The trigger was often the pressing need for rapid translation that forced staff to look for informal, even irregular, routes such as friends or relatives. In such circumstances, security and confidentiality concerns seemed to be regarded of lower priority to the need for quick translation, and

was counter-balanced by the level of trust placed in the translator in the social network being utilised.

The relevant literature treats social networks as the building blocks of social capital. For example, Belliveau, O'Reilly and Wade (1996) define social capital as the sum of an individual's personal networks. Knoke regards social capital as a process "by which social actors create and mobilize their network connections within and between organizations to gain access other social actors' resources" (Knoke, 1999, p. 18). In international business research, the definition by Nahapiet and Ghoshal (1998, 243) is widely used: "The sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit". However, the central theme in various definitions appears to be the assets that individuals and organizations develop through their social networks. In this section, we use the term social network to refer to the set of social relationships which individuals develop and access in the course of their work and personal life.

Social networks "constitute a form of social capital that provides information that facilitates action" (Coleman, 1988, p.104). Individuals access their social networks in order to gain information and knowledge that they can then use in their job roles, such as expatriates in subsidiary situations (Wang and Nayir, 2006). Almost all of the interviewees in the Nordea study indicated that they sought help from their colleagues with translation tasks, but they were not always readily accessible and able to respond in a timely fashion: 'It takes time to complete a task in a foreign language since you have to ask someone who knows the language and wait for him or her to be available to help' (I). Thus, responses to translation demands were spread through the social network in a relatively ad hoc and informal way with limited managerial oversight or control. For those without appropriate language skills the emergence of a translation task can be the cause of considerable discomfort, and there is typically resort to a work colleague with the relevant language facility. 'To be able to get help from colleagues, you have to know people. You have to know their names and where they work and where they used to work since the organization is changing so quickly' (I). For some, it was more straightforward: 'We've a lot of linguistically skilled personnel so it is easy to ask for help' (FG).

An important component of social networks that has been identified is an advice network: “Advice networks are comprised of relations through which individuals share resources such as information, assistance, and guidance that are related to the completion of their work” Sparrowe, Liden, Wayne, and Kraimer, 2001, p.317). It is “a means for obtaining resources that are instrumental in facilitating individual job performance” (p.317-18) (centrality in the advice network - Baldwin et al., AMJ 1997 - is delivered by language ability cf. language node and link to human capital).

However, the more the internal social network (primarily collegial) is used, the greater the pressure on certain individuals in the network with high level and diverse language skills. Some are regularly used, arousing general work and relationship concerns for the affected individuals, as one interviewee commented: ‘Sometimes I have to say that I’m busy right now and please look for some other ways to get the translation. However, it is not always such an easy task, because you want to be friends with the person asking for help’ (I). Another said: ‘I get asked for help every day. I constantly have to look at documents and try to figure out what they contain and what they are about’ (GD). In this sense, the company’s internal social network is a key factor in the translation process and ultimately the ability of the bank to respond to its global customers and global language needs.

Perhaps even more surprising was the way in which employees drew upon external social networks in order to accomplish some translation tasks. For example, one informant said that if she did not understand the foreign message, she would ask her daughter to translate it (I). Such resort to external social networks to facilitate work tasks has been noted in other research (Hallén, 1992; Marschan, Welch and Welch, 1996). In this way, translation is taken even further beyond managerial observation and direction. However, the head of the Nordea translation department indicated that from her perspective, Nordea management believed that all ‘official’ translations are undertaken in the translation department. The data thus suggests a disconnection between upper level management policy and the demands of practice.

Employee Language Competence

As Figure 1 indicates, the data also suggest that the handling of the translation activity was heavily determined by the language competence of employees. Those who had confidence in their own language competence were less likely to seek translation assistance. For instance, 'I always first try to do the translation myself but ... when I am not sure of something I go to a colleague' (GD). As mentioned earlier, those with language competence were cognisant of its value in the work setting and appeared to enjoy the opportunities to maintain and utilise their language skills. The data indicates that language competence became part of informants' human capital; their fluency enabled the building of social networks and their position in the advice network. Those who assumed centrality in the advice network through their language competence could see a negative side in terms of time allocation: 'Even though it is nice to be asked for help, it is still an inconvenience. Thus, as indicated in Figure 1, calls on the social network are linked to language competence.

Conclusion

The study has revealed the role of social networks in creating diverse translation solutions. However, the utilisation of social networks is connected with a range of other factors, delineated in Figure 1, that drive translation activity. For example, the pressure for prompt translations – timeliness - often activated personal network utilisation. In much of the research on social capital and networks, language is rarely included as a variable in empirical investigations (see for example, Forsgren & Johanson, 1992; Ellis 2000; Inkpen & Tsang, 2005).

An important finding was the preparedness of individuals to use their personal networks for company-related translation purposes. Research into network formation has identified how individuals recognise and maintain network connections not only for the potential benefit to themselves but also in terms of their performance within business contexts (Hallén, 1992; Marschan et al 1996). Social capital theory is pre-eminently about the creation and use of networks by individuals in a social context to facilitate a range of activities, including business. Our informants exemplify the readiness to use internal or

external networks to facilitate work outcomes; and that language competence can be used by individuals in a deliberate manner to advance their interests, which are not necessarily in the MNC's interest. The motivation to develop social capital, and then share it as a public or organizational good, rests with the individual (Adler and Kwon 2002). In the Nordea case, there was a high level of preparedness to share individual social capital to the benefit of the organisation. That this included diverse external connections was significant as the resort to using personal, non-company-based, networks cannot be presumed by organisations. People are conscious of the value of their networks and are very selective in the way in which contacts are activated for organizational purposes (Hallén, 1992).

Although our focus has been on a discrete activity – translation – it does point to the importance of considering language as a critical aspect of social network development, maintenance and use in the international business context. Foreign language fluency as an antecedent to, and an influence on, social interaction is rarely considered in extant studies on social capital and networks (Welch and Welch, 2008). While Nahapiet and Ghoshal (1998) identify language as part of the cognitive dimension in their model of social capital, it occupies a relatively passive role.

Research Implications

Our findings are limited to a single case study. We therefore can only make generalisations to theory, not to population (Yin, 2009). The case company was an amalgam of different operations in the Nordic area, with several languages in use, although with British English as the corporate language. Our data was collected from the Finnish part of Nordea and it is noteworthy that Finland is a dual language society (Finnish and Swedish). As a result, studies in other foreign markets are required to determine the transferability of our results. Of particular interest would be an equivalent study in an English-speaking country where customers would be less likely to expect to operate in their own native language: for example, a Swedish client trying to use Swedish in an US-owned bank in New York.

A separate issue is whether the rapid advances in machine translation will affect the utilisation of social networks in obtaining timely translation. At this stage, it appears that,

despite some use of available machine-assisted translation technologies by our Nordea informants, there was far greater reliance on social network solutions. This may be partly due to the nature of the business – a service organisation – with close interaction with clients requiring a more person-to-person form of communication. Studies looking at the role of machine translation technologies in other aspects of international business, such as negotiations, would be useful.

Managerial Implications

The Nordea case highlights the importance of translation in the day-to-day operations of a MNC; and that the establishment of a centralised facility – a translation department – may not necessarily provide the level of assistance that those dealing with translation demands require. Our findings indicate that these demands are often hidden by informal coping responses and thus may mask the importance of translation activities for MNC performance. Rather, individual coping behaviours may compound the view that translation is a minor, even mechanical, issue. As well, the extent of required translation is not readily obvious to those at upper management levels, and the provision of formal translation support through a centralised translation department, can be seen as the obvious solution. What our results suggest is that a centralised approach is only one part of an overall response. Cost allocation and other factors such as timeliness identified in our study may impede the effective operation of a centralised translation department.

The primary gap that emerged from the Nordea study was the lack of an on-the-spot-translation facility that employees could utilise in a timely fashion. Much of the translation occurred on an informal basis, outside the domain of the translation department. Thus, the critical factor was having access to employees with appropriate language skills. Complementing the centralised translation department would be the ability to employ, and deploy, employees with requisite language competence. This would have implications for human resource policies, particularly hiring and training. The Nordea case indicates that employees are involved in translation tasks on an ad hoc basis. Many interviewees stressed that translation tasks were not part of their job

description, and this created work tension that could be a diversion from their designated role.

At times though, even with commonly used foreign languages, translation demands can be so bunched that central units have to resort to external assistance. A study of language use in Oxfam, which has extensive global operations, indicated that translation needs frequently overwhelmed the ability of the organization to respond to these from internal means as it sought to do (Lehtovaara, 2009). Alongside this mixed official picture of internal and external supply of translation services, there are informal processes involving employees' social networks that similarly involve both internal and external translation solutions, but these are not well integrated into the overall company translation response systems, despite their importance. Policies regarding language have never loomed large in MNC thinking. Translation fits into this general picture and struggles to be seen as a strategic issue (Marschan, Welch and Welch, 1997; Kangasharju, Piekkari and Sääntti, 2010).

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