

FORRESTER®

The Total Economic Impact™ Of TransPerfect GlobalLink

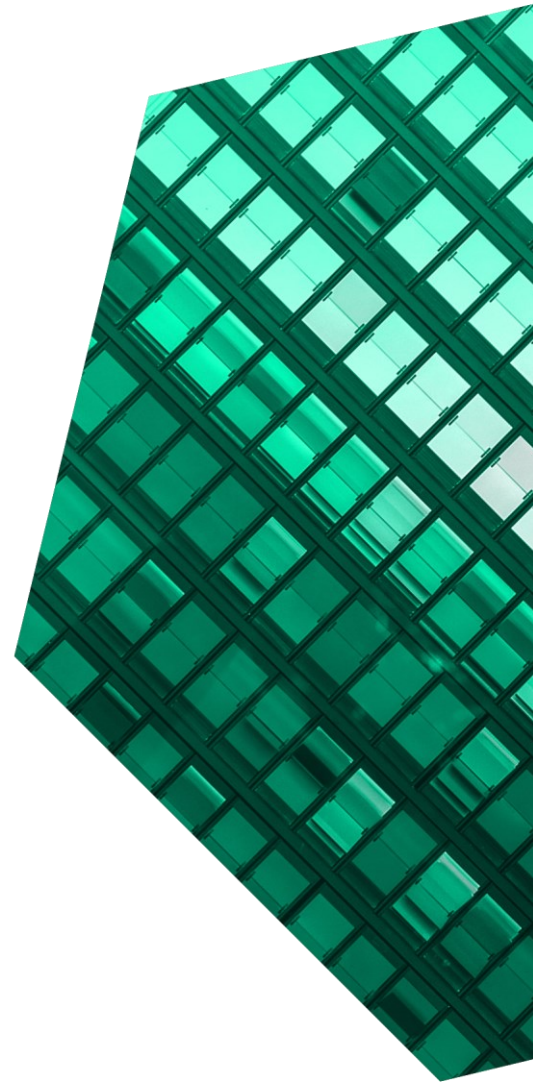
Cost Savings And Business Benefits
Enabled By GlobalLink For A Manufacturer

JULY 2022

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Executive Summary

TransPerfect GlobalLink helps organizations streamline translation processes and reduce direct costs of translations by automating internal and external workflows and consolidating translation memory across multiple translation vendors. It reduces the time spent on each translation project by submitters and reviewers of translated content and also by translation project coordinators. Its machine translation capabilities provide a cost-effective alternative to human translation for a wide range of file formats.

The [TransPerfect GlobalLink](#) product suite helps organizations automate, unify, and standardize translation management processes across their enterprises. By streamlining those processes, organizations decrease the time their employees spend managing translations processes. Over time, accumulated translation memory (TM) reduces the costs and time required to translate content while increasing translation quality and improving consistency in brand voice.

TransPerfect commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying GlobalLink.¹ The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of GlobalLink on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed two representatives of an organization with experience using GlobalLink. Forrester used this experience to project a three-year financial analysis.

Prior to using GlobalLink, the organization's processes for managing translations services requests were manual and nonstandardized. It used a homegrown, on-premises translation memory application and a third-party, on-premises machine translation application.

Those manual processes were time-consuming and error-prone, and they provided very little data from

KEY STATISTICS



Return on investment (ROI)

522%



Net present value (NPV)

\$2.91M

which the organization's translation services team could assess, manage, and improve its operations. The translation memory application required significant support and provided limited savings on per-word translation costs. The machine translation capability was available only for certain file formats and a handful of employees.

Key results from the organization's investment in GlobalLink included higher per-word savings from translation memory and significantly more use of machine translation. In addition, content submitters and reviewers and translation project coordinators all spent less time on each translation project.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits include:

- **Translation costs savings, valued at \$2.7 million.** GlobalLink enables the organization to centralize and consolidate its translation memory across multiple vendors and across the

increasing volume of its translation projects that were addressed via its translation service team. GlobalLink enables per-word translation cost savings of more than 30% compared to 8% with the organization's prior translation memory application. Broader use of machine translation across the organization generates additional savings as a lower-cost alternative to human translation.

- **Productivity savings from streamlined translation processes, valued at \$667,000.** GlobalLink improves the productivity of submitters, reviewers, and project coordinators of translation projects. It enables the organization to consolidate management of content files and associated information into a single unified system, streamline and automate translation processes, and gain end-to-end visibility for those processes.
- **Eliminated costs of prior translation memory solution, valued at \$48,400.** After deploying GlobalLink, the organization decommissions its homegrown, on-premises translation memory application, thus eliminating all related expenses for infrastructure and staff time.

- **Eliminated costs of prior machine translation solution, valued at \$58,900.** The organization also decommissions its prior on-premises third-party machine translation application, and no longer pays the associated expenses.

Unquantified benefits. Benefits that are not quantified for this study include:

- **Better user experience for the translation services team's internal clients.** Submitters and reviewers provide positive feedback on the faster and easier translation processes that GlobalLink enables translation services teams to deliver.
- **Improved technical support for the translation services team and its internal clients.** TransPerfect provides 24/7 technical support to end users and translation services teams. IT and translation services teams no longer struggle to understand and support homegrown translation memory applications.
- **Staff time freed up for higher-value activities.** By decreasing manual tasks for submitters, reviewers, and translation services teams, GlobalLink frees up time for higher-impact efforts.
- **Less potential for errors.** GlobalLink reduces translation-related errors and the resulting rework.
- **Translation cost savings from using GlobalLink with translation vendors other than TransPerfect.** Because the organization leverages GlobalLink's consolidated and centralized translation memory across multiple onboarded vendors, it obtains translation cost savings on a greater volume of words than those shown in the translation cost savings benefit.
- **Expanded usage and capabilities for machine translation.** GlobalLink enables the organization to provide machine translation to all employees and improve those machine translation

“Since we are better utilizing the resources that we have, we’re able to provide a higher level of service for our internal clients rather than focusing on the project management itself.”

*Translation service manager,
manufacturer*

capabilities compared to its legacy machine translation application. As a result, the organization's use of machine translation increases and continues to grow.

- **Improved security around the translation process.** The organization's implementation of GlobalLink includes extensive security checks.

Costs. Risk-adjusted PV costs totaled over three years include:

- **TransPerfect fees of \$198,300.** TransPerfect fees include an initial one-time setup and training fee and monthly software-as-a-service (SaaS) fees for GlobalLink modules. Upgrades and standard support are included in monthly fees.
- **Internal effort for implementation, management, and support of \$360,600.** The organization implements GlobalLink in approximately four months with a team from IT, translation services, and legal. Ongoing management and support are provided by translation services staff.

The interviews and financial analysis found that the representatives' organization experiences benefits of \$3.47 million over three years versus costs of \$559,000, adding up to a net present value (NPV) of \$2.91 million and an ROI of 522%.



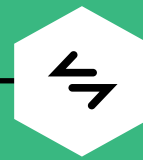
ROI
522%



BENEFITS PV
\$3.47M

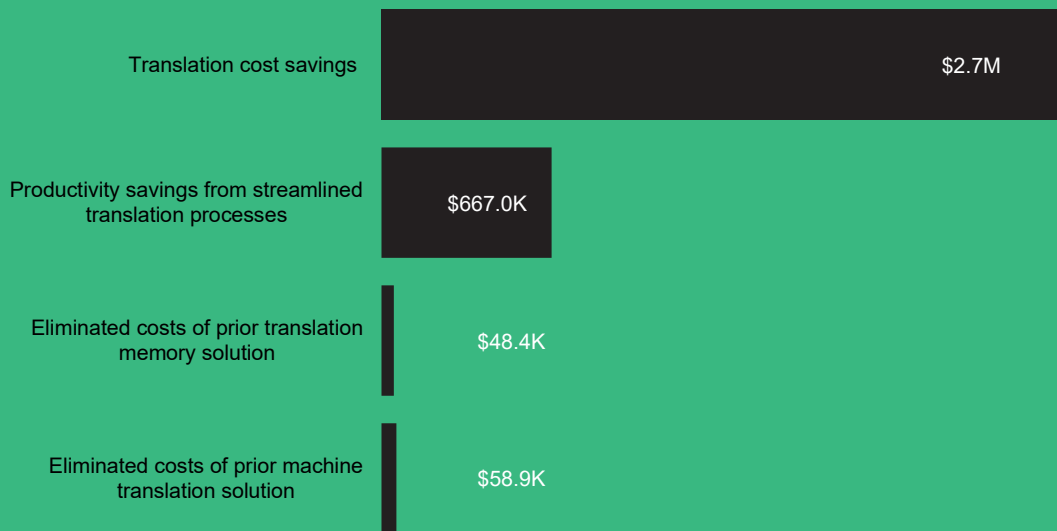


NPV
\$2.91M



PAYBACK
**<6
months**

Benefits (Three-Year)



“GlobalLink streamlines our processes and reduces translation costs, and we can work with multiple translation vendors on a single platform.”

— Administrative services manager, manufacturer

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in GlobalLink.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that GlobalLink can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by TransPerfect and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in GlobalLink.

TransPerfect reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

TransPerfect provided the customer name for the interview but did not participate in the interview.



DUE DILIGENCE

Interviewed TransPerfect stakeholders and Forrester analysts to gather data relative to GlobalLink.



INTERVIEWS

Interviewed two representatives of an organization using GlobalLink to obtain data with respect to costs, benefits, and risks.



FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interview using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.



CASE STUDY

Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The TransPerfect GlobalLink Customer Journey

■ Drivers leading to the GlobalLink investment

INTERVIEWEES' ORGANIZATION

Forrester interviewed two GlobalLink decision-makers — an administrative services manager and a senior project coordinator for translation services — who manage translation services at an organization with the following characteristics:

- Global business-to-business industrial manufacturer operating in more than 150 countries.
- More than \$20 billion in annual revenue.
- More than 50,000 employees.
- A dedicated translation services team (part of global shared services) that manages an increasing portion of the organization's overall translation needs.
- Working relationships with multiple translation service vendors, including TransPerfect.
- Translation needs that span many corporate functions and a broad range of file formats for content consumed by internal and external audiences.
- Varying update cycles for that translated content.

KEY CHALLENGES

Prior to using GlobalLink, the organization's processes for managing translations services requests were manual and nonstandardized. It used a homegrown, on-premises translation memory application and a third-party, on-premises machine translation application.

The interviews revealed the following issues and challenges that prompted the organization's GlobalLink investment:

- **Manual translation processes that were time-consuming, error-prone, and lacked visibility,**

security, and metrics. An employee's request to the translation services team for translation of some content initiated a highly manual translation project. That employee had to cut and paste the content into an email sent to the translation services team. A project coordinator on that team would forward the request to multiple vendors for quotes, working with each vendor's unique platform and processes.

The coordinator remained heavily involved during each translation project, conveying translation documents between the translation vendor and the internal client, and answering client questions about project status. Content submitters and internal reviewers of translated content grappled with equally manual workflows, including raising separate purchase orders for each project to enable internal cross-charging.

These hands-on processes presented many opportunities for errors to arise, requiring additional time and potentially additional direct expenses for rework. They also left the translation services team devoid of data with which to assess and manage its operations.

In addition, the security of the translated documents during a translation project was a concern. The organization didn't know how that content was being handled outside of its vendors because those workflows were not integrated to any of its systems.

- **Limited value from an existing translation memory application.** The organization's homegrown translation memory application required significant support from IT and translation services staff, and it was difficult to understand and optimize because its creator was no longer with the organization. It provided only modest savings on translation expenses and its

interface was outdated. Getting information from it was time-consuming, and it did nothing to make translation processes more efficient. The administrative services manager said, “It was very manual and really didn’t work.”

- **Limited access to, and significant support time required for, existing machine translation capabilities.** Although the organization had machine translation capabilities in theory, its limited number of licenses (around 15) for an application that accommodated content in only a small number of file formats left usage minimal.

In addition, the translation services team had to manually update the translation memory within the machine translation tool, IT staff had to spend time maintaining the software and pushing out updates, and each user needed to spend time on ensuring those updates were working. The senior project coordinator for translation services said: “It was a clunky system. Each user had to get the updates and make sure everything was still working. They spent several hours each month fixing little things.”

“Our translation processes were terribly manual and very cumbersome. We had no effective reporting capabilities and no KPIs that we could benchmark or that would tell us how our translation services were doing.”

Administrative services manager, manufacturer

SOLUTION REQUIREMENTS/INVESTMENT OBJECTIVES

The interviewees’ organization searched for a solution that could:

- Reduce the manual effort each translation project requires from submitters, reviewers, and translation project coordinators.
- Decrease translation costs through use of common translation memory across multiple translation vendors via a single platform.
- Scale to handle an increasing volume of human translation projects and machine-translated words.

After evaluating multiple solutions, the interviewees’ organization chose GlobalLink based on its alignment with its requirements and its favorable experience with TransPerfect as a translation services vendor.

USE CASE DESCRIPTION

The interviewees’ organization implemented several components from the GlobalLink product suite. It initially implemented Project Director, TM Server, and TransStudio Review using internal resources and professional services from TransPerfect. It subsequently implemented AI Portal using internal resources.

Capitalizing on GlobalLink is a fundamental component of the organization’s strategy to decrease translation costs and turnaround time by standardizing and streamlining an increasing percentage of its translation projects worldwide under a shared-services approach led by its translation services team.

GlobalLink enabled that team to replace the manual translation process with a largely self-service process. After getting onboarded to GlobalLink, employees can submit translation requests through it and subsequently verify project status on their own, eliminating most of the previous requests to the coordinators for document submission and translation

status updates. During several years of GlobalLink use, the number and percentage of the organization's human translation projects handled through it and the volume of words it machine-translates have all increased steadily.

For this use case, Forrester has modeled benefits and costs over three years.

Key Deployment Details

- **Goal of decreased translation time and expenses**
- **Global deployment**
- **Multiple GlobalLink capabilities used**

Analysis Of Benefits

■ Quantified benefit data

Total Benefits						
Ref.	Benefit	Year 1	Year 2	Year 3	Total	Present Value
Atr	Translation cost savings	\$81,266	\$526,853	\$2,914,528	\$3,522,647	\$2,699,022
Btr	Productivity savings from streamlined translation processes	\$210,375	\$267,176	\$339,314	\$816,865	\$666,988
Ctr	Eliminated costs of prior translation memory solution	\$19,476	\$19,476	\$19,476	\$58,428	\$48,434
Dtr	Eliminated costs of prior machine translation solution	\$23,670	\$23,670	\$23,670	\$71,010	\$58,864
	Total benefits (risk-adjusted)	\$334,787	\$837,175	\$3,296,989	\$4,468,951	\$3,473,308

TRANSLATION COST SAVINGS

Evidence and data. The interviewees' organization increased its per-word translation cost savings on the translation projects routed through GlobalLink relative to the savings provided by the translation services team's prior use of a legacy translation memory application. Several factors drove that increase, including the centralization and consolidation of translation memory across multiple vendors and an increasing volume of translation projects addressed via the translation service team, and the ability to add glossaries within GlobalLink workflows that were specific to various areas of the organization.

Translation memory grows each time newly translated words/phrases or language pairs are part of a translation project completed by one of the translation vendors the interviewees' organization onboards to GlobalLink. GlobalLink saves those new translations to its translation memory, which is shared by all onboarded vendors.

GlobalLink's translation memory delivers average per-word translation cost savings of more than 30%, compared to average per-word savings of around 8% from the organization's legacy translation memory application. As a result, the effective translation cost

savings relative to the prior solution is calculated as 75% of the actual cost savings.

In addition to higher per-word cost savings for its human translations addressed using GlobalLink, the organization accrued other incremental translation cost savings from its use of GlobalLink's machine translation capabilities. Those capabilities, provided via an enterprise license and usable with a wider range of file formats than the organization's legacy machine translation application, made lower-cost machine translation feasible for any employee and many more use cases. The steep increase in number of machine-translation words from Year 2 to Year 3 reflects the translation services team's internal promotion of machine translation as a cost-effective alternative.

Modeling and assumptions. Forrester used the following data to model translation cost savings:

- The number of words human-translated for the organization by TransPerfect as part of translation projects managed via GlobalLink is 2.0 million in Year 1, 2.8 million in Year 2, and 6.0 million in Year 3.

- The percentages of new words, full match words, partial match words, and repetitions relative to total words translated vary across Year 1, Year 2, and Year 3, as do the per-word cost savings enabled for each of those categories by GlobalLink’s translation memory.
- Effective cost savings relative to the prior translation memory solution are calculated as 75% of actual cost savings.
- The number of machine-translated words is 4.0 million in Year 2 and 22.6 million in Year 3.
- Cost savings per machine-translated word is the difference between a mean word rate of \$0.142 for “tier 2” human translation content or “for info only” content and a machine-translated word rate determined by dividing the annual fee for the organization’s machine translation capability by the number of words that were machine-translated in each of Year 1 and Year 2.
- The mix of language pairs that get translated relative to the volume and nature of prior translations for those pairs and the resulting scope of translation memory.
- Availability of translators for needed languages.
- The fee structure negotiated with translation vendors.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$2.7 million.

“We don’t have to work with only one translation vendor to simplify our workflows and get translation memory savings because GlobalLink is a multivendor platform.”

*Administrative services manager,
manufacturer*

Risks. Factors that may affect translations cost savings include:

- The volume and nature of content that is translated.
- How long an organization has been using translation memory.

Translation Cost Savings					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Number of human-translated words from TransPerfect that are managed via GlobalLink	TransPerfect	2,028,193	2,816,401	5,955,765
A2	Percentage of new words	TransPerfect	54.7%	67.2%	61.3%
A3	Percentage of full match words	TransPerfect	23.5%	16.0%	14.4%
A4	Percentage of partial match words	TransPerfect	20.4%	9.4%	6.7%
A5	Percentage of repetitions	TransPerfect	1.5%	7.5%	17.6%
A6	Cost savings per full match word	TransPerfect	\$0.15	\$0.15	\$0.16
A7	Cost savings per partial match word	TransPerfect	\$0.13	\$0.12	\$0.13
A8	Cost savings per repetition word	TransPerfect	\$0.13	\$0.16	\$0.16
A9	Total cost savings for human translation projects through GlobalLink	$(A1 \cdot A3 \cdot A6) + (A1 \cdot A4 \cdot A7) + (A1 \cdot A5 \cdot A8)$	\$127,476	\$133,172	\$356,221
A10	Effective cost savings, relative to prior solution	$0.75 \cdot A9$	\$95,607	\$99,879	\$267,166
A11	Number of machine-translated words	TransPerfect		4,043,141	22,648,218
A12	Cost savings per machine-translated word	TransPerfect		\$0.1286	\$0.1396
At	Translation cost savings	$A10 + (A11 \cdot A12)$	\$95,607	\$619,827	\$3,428,857
	Risk adjustment	↓15%			
Atr	Translation cost savings (risk-adjusted)		\$81,266	\$526,853	\$2,914,528
Three-year total: \$3,522,647			Three-year present value: \$2,699,022		

PRODUCTIVITY SAVINGS FROM STREAMLINED TRANSLATION PROCESSES

Evidence and data. The interviewees said employees in several translations-related roles at their company became more productive. GlobalLink reduced the time that submitters, reviewers, and coordinators of translations projects spent on each project because it streamlined translation processes, provided end-to-end visibility throughout the translation process, and consolidated all management of content files and associated information within a single unified system.

- **Content submitters:** Individuals in diverse roles and functions across the interviewees' organization submit content for translation. GlobalLink reduced the time they previously spent to create and submit a translation project and then to communicate with the translation services team during the project. Submitters no longer had to manually export and import content by cutting and pasting.
- **Content reviewers:** With GlobalLink, internal reviewers of content spent less time passing files back and forth and communicating via email because the translated content they needed to

review was available online. After a reviewer got a notification that they need to review a document, they simply accessed that document on the GlobalLink system and conducted their review.

In addition, GlobalLink provided tools that accelerated their review, like a find-and-replace feature and options to review only new text or only 10% of text. And since GlobalLink saved reviewers' work in real time, they no longer spent time managing versions.

- **Project coordinators for translation services:** Project coordinators continue to ensure translation project success but on average spend 80% less time on each project because GlobalLink's automations and online tools streamline project administration. The project coordinators spend less time swapping emails with internal clients, entering new translation projects into the system, communicating with vendors, updating clients on project statuses, coordinating with internal reviews, and in general manually moving each translation project through its various phases.

In addition, project coordinators no longer spend time manually updating the translation memory within the prior machine translation tool. GlobalLink also reduced the time that coordinators spend providing translation vendors with the codes that enable a translation project to be cross-charged within the organization.

Vendors need those codes to draw up invoices. In addition, the cross-charge information is more readily available to others within the organization.

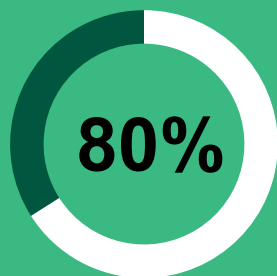
Modeling and assumptions. Forrester used the following data to model productivity savings from streamlined translation processes:

- The organization uses GlobalLink to manage 300 translation projects in Year 1, 381 projects in Year 2, and 484 projects in Year 3.
- GlobalLink reduces a project submitter's average of 4 hours per project by 75%.
- GlobalLink reduces a project reviewer's average of 5 hours per project by 40%.
- GlobalLink reduces a translation services project coordinator's average of 35 hours per project by 80%.
- 50% of the time saved is productively applied.

“GlobalLink automatically does a lot of things a project coordinator used to have to do manually and lets us find all the related submissions and approvals in one place.”

Administrative services manager, manufacturer

Reduction in project coordinator time



Risks. Factors that may affect productivity savings from streamlined translation processes include:

- The number of translations projects.
- The prior state of the organization's translation services processes.
- Organizational readiness to embrace new capabilities.

- Prevailing local compensation rates.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV of \$667,000.

Productivity Savings From Streamlined Translation Processes					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Number of translation projects (annual)	Interviews	300	381	484
B2	Project submitter average time per project before GlobalLink (hours)	Interviews	4	4	4
B3	Reduction in project submitter time per project after GlobalLink	Interviews	75%	75%	75%
B4	Project reviewer average time per project before GlobalLink (hours)	Interviews	5	5	5
B5	Reduction in project reviewer time per project after GlobalLink	Interviews	40%	40%	40%
B6	Project coordinator for translation services average time per project before GlobalLink	Interviews	35	35	35
B7	Reduction in project coordinator for translation services average time per project after GlobalLink	Interviews	80%	80%	80%
B8	Productivity captured from time saved	TEI Standard	50%	50%	50%
B9	Blended fully burdened compensation (hourly)	TEI Standard	\$50	\$50	\$50
Bt	Productivity savings from streamlined translation processes	$((B1*B2*B3)+(B1*B4*B5)+(B1*B6*B7))*B8*B9$	\$247,500	\$314,325	\$399,193
	Risk adjustment	↓15%			
Btr	Productivity savings from streamlined translation processes (risk-adjusted)		\$210,375	\$267,176	\$339,314
Three-year total: \$816,865			Three-year present value: \$666,988		

ELIMINATED COSTS OF PRIOR TRANSLATION MEMORY SOLUTION

Evidence and data. After implementing GlobalLink, the organization decommissioned its prior homegrown, on-premises translation memory application. This eliminated the related data-center expenses to run the software, and the translation services and IT staff time required to manage, update, and support the application.

These avoided costs are a gross benefit; related ongoing expenses for GlobalLink and its support are noted in the Analysis of Costs section of this study.

Modeling and assumptions. Forrester used the following data to model eliminated costs of the prior translation memory solution:

- Eliminated data center expenses are \$5,000 annually.
- Translation services staff members collectively can redeploy a total of 104 hours each year.
- IT staff members collectively can redeploy a total of 208 hours each year.

Risks. Factors that may affect eliminated costs of a prior translation memory solution include:

- Third-party fees (if applicable).
- Infrastructure costs (if applicable).
- Translations service staff and IT staff time needed to manage the solution.
- Prevailing local compensation rates.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$48,400.

Eliminated Costs Of Prior Translation Memory Solution

Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Data center expenses for the software	Interviews	\$5,000	\$5,000	\$5,000
C2	Translation services staff time to manage, update, and support the software (hours)	Interviews	104	104	104
C3	Fully burdened translation services staff compensation (hourly)	TEI Standard	\$50	\$50	\$50
C4	IT staff time to manage, update, and support (hours)	Interviews	208	208	208
C5	Fully burdened IT staff compensation (hourly)	TEI Standard	\$55	\$55	\$55
Ct	Eliminated costs of prior translation memory solution	$C1+(C2*C3)+(C4*C5)$	\$21,640	\$21,640	\$21,640
	Risk adjustment	↓10%			
Ctr	Eliminated costs of prior translation memory solution (risk-adjusted)		\$19,476	\$19,476	\$19,476
Three-year total: \$58,428			Three-year present value: \$48,434		

ELIMINATED COSTS OF PRIOR MACHINE TRANSLATION SOLUTION

Evidence and data. By implementing GlobalLink, the organization could decommission its prior third-party, on-premises machine translation application. This eliminated the ongoing fees for the associated software licenses, the related data-center expenses to run the software, the translation services staff time required to manually update translation memory for that machine translation application, and the IT staff time needed to maintain, update, and support the application.

These avoided costs are a gross benefit; related ongoing expenses for GlobalLink and its support are noted in the Analysis Of Costs section of this study.

“By switching to GlobalLink, we could open machine translation to everyone in our company. And we no longer have to train the tool, since that’s happening in the background via GlobalLink’s translation memory.”

Administrative services manager, manufacturer

Modeling and assumptions. Forrester used the following data to model eliminated costs of the prior machine translation solution:

- Eliminated software fees are \$18,000 annually.
- Eliminated data center expenses are \$5,000 annually.
- Translation services staff members collectively can redeploy a total of 360 hours each year.
- IT staff members collectively can redeploy a total of 60 hours each year.

Risks. Factors that may affect eliminated costs of a prior machine translation solution include:

- Third-party fees (if applicable).
- Infrastructure costs (if applicable).

- Translations service staff and IT staff time needed to manage the solution.
- Prevailing local compensation rates.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$58,900.

Eliminated Costs Of Prior Machine Translation Solution					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Software fees	Interviews	\$18,000	\$18,000	\$18,000
D2	Data center expenses for the software	Interviews	\$5,000	\$5,000	\$5,000
D3	Translation services staff time to manually update translation memory for the machine translation solution (hours)	Interviews	360	360	360
D4	Fully burdened translation services staff compensation (hourly)	TEI Standard	\$50	\$50	\$50
D5	IT staff time to maintain, update, and support (hours)	Interviews	60	60	60
D6	Fully burdened IT staff compensation (hourly)	TEI Standard	\$55	\$55	\$55
Dt	Eliminated costs of prior machine translation solution	D1+D2+(D5*D6)	\$26,300	\$26,300	\$26,300
	Risk adjustment	↓10%			
Dtr	Eliminated costs of prior machine translation solution (risk-adjusted)		\$23,670	\$23,670	\$23,670
Three-year total: \$71,010			Three-year present value: \$58,864		

UNQUANTIFIED BENEFITS

Additional benefits that the customer experienced but interviewees were not able to quantify include:

- **Better user experience for the translation services team’s internal clients.** Translation

project submitters and reviewers can go to the organization’s intranet, request access to GlobalLink, figure out the process from the user guides and GlobalLink’s intuitive workflows, and then work efficiently. Because submitters now

operate more self-sufficiently, they decrease or eliminate delays from waiting for a project coordinator to respond to emails, put the translation project into the system, send that project to translation vendors for quotes, approve a quote, or provide updates on project status.

The automated workflows also decreased the elapsed time from project initiation to completion by an average of about two-thirds. For instance, a translation project that previously needed three weeks is now typically completed in no more than a week.

If submitters or reviewers have GlobalLink questions outside of the North America-based translation services team's working hours, they can contact TransPerfect's 24/7 global support.

This combination of factors drove a substantial increase in internal clients' satisfaction with the organization's translation services after GlobalLink was deployed. The administrative services manager said, "We've received great feedback that specifically praised the tool and the ease of doing business with our team."

- **Improved technical support for the translation services team and its internal clients.** Since TransPerfect provides technical support for GlobalLink, the organization's translations services team no longer must try to figure out its homegrown translation memory application and also support users.
- **Staff time freed up for higher-value activities.** By decreasing manual tasks for submitters, reviewers, and the translation services team, GlobalLink freed up their time for higher-impact initiatives. For example, translation project coordinators spend more time strategizing around how to enhance translation processes, building internal client relationships, and reaching out to new internal clients instead of spending

most of their time manually pushing translation projects along.

- **Less potential for errors.** GlobalLink decreased translation-related errors and the resulting expenses for rework in several ways. Its drag-and-drop workflows meant submitters no longer had to manually export and import content by cutting and pasting. In addition, the senior project coordinator for translation services said: "Reviewers' work on the files is saved in real time. Since we're not having to play with different versions of those revisions, we know we have the most updated one."
- **Translation cost savings from using GlobalLink with translation vendors other than TransPerfect.** The translation cost savings calculated in the Benefits section of this study understate the organization's total translation cost savings from using GlobalLink because that calculation includes only the word volume translated by TransPerfect. However, the organization onboarded other translation services providers to GlobalLink, and thus leverages GlobalLink's consolidated and centralized translation memory to obtain translation cost savings on a greater volume of words than those shown in the Translation Cost Savings benefit.

GlobalLink consolidates and centralizes translation memory across the organization's work with multiple translation vendors, amplifying cost savings compared to what they would be with translation memory that an individual vendor may provide. As GlobalLink usage increases across the interviewees' organization, a higher percentage of its translation projects benefit from this aggregated translation memory instead of relying on the more limited vendor-specific translation memory that may be provided when a submitter works directly with a translation vendor instead of through GlobalLink.

- **Expanded usage and capabilities for machine translation.** GlobalLink enabled the organization to not only provide machine translation to all employees, but to also improve those machine translation capabilities compared to its legacy machine translation application. As a result, the organization's use of machine translation increased and continues to grow.

The senior project coordinator for translation services said, "The biggest benefit around machine translation is that every employee can access it now, instead of our having such a limited number of licenses."

In addition, the GlobalLink machine translation capabilities accommodate a wider range of file formats, eliminating the cutting-and-pasting required by the previous machine translation application. The administrative services manager said: "Another benefit from the machine translation is the kind of files that it supports, so you don't have to copy and paste something. You can just drop in a spreadsheet, presentation, or other format, and it's going to return the content to you in the same format. That is a huge advantage we didn't have with our prior machine translation application."

Having all GlobalLink capabilities integrated across a common platform delivered several other benefits for machine translation. Integration between machine translation and translation memory produced higher-quality machine translations than the prior machine translation application or other machine translators available at no charge online. Integration between machine translation and internal reviewer workflows facilitated internal review and editing for areas that had a limited budget for human translation but sought higher translation quality than machine translation alone may provide.

- **Improved security around the translation process.** In line with the organization's emphasis

on cybersecurity and security in general, its implementation of GlobalLink included extensive security checks. The senior project coordinator for translations services said: "We get a lot of people asking about security and whether we can work with restricted files. Because GlobalLink was put through our very extensive security process, there's no worry about that."

"Getting content translated is easier and faster for our internal clients now. For the most part, they can do it themselves: create the request, approve a vendor, [and] get the files once they're finished. They don't have to have a middleman if they don't need one."

Senior project coordinator for translation services, manufacturer

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement GlobalLink and later realize additional uses and business opportunities, including:

- **Expand GlobalLink use across the organization.** The administrative services manager said: "Our shared services group is relatively new, but our end goal is to have all translation users across the organization use GlobalLink. We'll continue to expand its use to additional functions and geographic regions."
- **Enable GlobalLink benefits across additional translation vendors.** The interviewees' organization has onboarded several translation

vendors since deploying GlobalLink and may add others.

- **Increase translation analytics and reporting.** GlobalLink data enables the interviewees to see which regions and functions are utilizing it and help drive expanded use. They are exploring other ways to further leverage data from the translation process, such as file type.
- **Deploy other TransPerfect solutions.** The administrative services manager said, “We’re always looking for ways to integrate solutions to what we currently have.” And that may include additional TransPerfect products.

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

Analysis Of Costs

■ Quantified cost data

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	TransPerfect fees	\$20,800	\$37,600	\$91,600	\$90,000	\$240,000	\$198,303
Ftr	Internal effort for implementation, management, and support	\$20,790	\$144,727	\$137,509	\$125,821	\$428,847	\$360,535
	Total costs (risk-adjusted)	\$41,590	\$182,327	\$229,109	\$215,821	\$668,847	\$558,838

TRANSPERFECT FEES

Evidence and data. TransPerfect fees include an initial one-time setup and training fee and ongoing fees for each cloud-based GlobalLink module that includes standard support.

The organization uses several GlobalLink capabilities:

- Project Director to coordinate and automate all facets of the translation process.
- TM Server to allow translation memory to be shared in real time within an organization and with partners and vendors outside the firewall.
- TransStudio Review to streamline the review process and eliminate the need for file exchange.
- AI Portal for machine translation.

During implementation of all those capabilities except AI Portal, the organization paid TransPerfect for professional services to set up the GlobalLink platform, translate the user interface into other languages, configure, test, onboard external translation vendors, develop administrative guides, develop and translate user training guides, and train administrators and certain end users. In Year 1 and Year 2, the organization paid TransPerfect for

professional services to add additional translation vendors to GlobalLink.

Modeling and assumptions. Forrester used the following data to model TransPerfect fees:

- \$36,000 annually in GlobalLink SaaS fees for the Project Director, TM Server, and TransStudio Review modules.
- \$54,000 in each of Years 2 and 3 for AI Portal fees, with no overage expenses incurred.
- \$20,800 for GlobalLink initial setup and user training.
- \$1,600 in each of Years 1 and 2 to add additional translation vendors to GlobalLink.

Risks. Factors that may affect TransPerfect fees include:

- The GlobalLink modules deployed.
- The number of GlobalLink users.
- The number of GlobalLink connectors (if any) to third-party platforms.
- The number and complexity of GlobalLink workflows deployed.

- The number of translation vendors onboarded and supported.

Results. Since these factors are known for the fees described here, Forrester did not risk-adjust this cost upward, yielding a three-year, risk-adjusted total PV of \$198,300.

TransPerfect Fees						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	GlobalLink SaaS fees	TransPerfect		\$36,000	\$36,000	\$36,000
E2	AI Portal fees	TransPerfect			\$54,000	\$54,000
E3	Initial set-up and training	TransPerfect	\$20,800			
E4	Fees to add additional translation vendors	TransPerfect		\$1,600	\$1,600	
Et	TransPerfect fees	E1+E2+E3+E4	\$20,800	\$37,600	\$91,600	\$90,000
	Risk adjustment	0%				
Etr	TransPerfect fees (risk-adjusted)		\$20,800	\$37,600	\$91,600	\$90,000
Three-year total: \$240,000			Three-year present value: \$198,303			

INTERNAL EFFORT FOR IMPLEMENTATION, MANAGEMENT, AND SUPPORT

Evidence and data. The organization implemented GlobalLink in approximately four months with a team from IT (IT project manager, security, solution architect, and another resource) and from translations services (senior project coordinator for translation services, administrative services manager). Legal staff provided brief input (about 10 hours) to ensure that security documentation was compliant with the organization’s requirements.

The organization’s implementation efforts included requirements planning, security validation, legal sign-off regarding the management of restricted information, and technical implementation.

Configuration and testing were joint efforts with TransPerfect. The organization provided TransPerfect with guidelines, then TransPerfect ensured its system would be compatible with the

manufacturer’s system. After TransPerfect’s testing from its side, the organization conducted about two weeks of its own testing before full deployment.

Although TransPerfect conducted some initial training for the translation services team and certain submitters and reviewers, the senior project coordinator for translation services created on-demand recorded training that was used along with written guides both initially and subsequently by other submitters and reviewers. The time that each new user spent on training decreased in Year 2 and further in Year 3 because the senior project coordinator for translation services fine-tuned the training video and written materials to deliver essential content more efficiently.

For each new end user, GlobalLink project coordinators work with TransPerfect to get that user set up in the GlobalLink system and then work with the user to ensure they’re fully functional.

Other ongoing GlobalLink efforts by the senior project coordinator for translation services include evangelization to increase use of GlobalLink across the organization, updating user guides and training materials as needed, referring users to TransPerfect or connecting with TransPerfect on their behalf, working with IT staff and TransPerfect to address any technical issues that arise, and creating or modifying GlobalLink workflows so they work for all employees across all geographic regions.

The administrative services manager supplements those efforts as needed, manages the financial aspects of GlobalLink, and works with TransPerfect to strategize the organization's GlobalLink use. Several other translation project coordinators handle certain technical administrative efforts as needed.

“The actual technical implementation, plugging in the system, was very fast. Once all the checks had been completed, connecting GlobalLink to our platform was simple.”

Senior project coordinator for translation services, manufacturer

Modeling and assumptions. Forrester used the following data to model internal effort for implementation, management, and support:

- IT staff members collectively spend a total of 280 hours on implementation and 24 hours annually for ongoing management and support.
- Translation services and legal staff members collectively spend a total of 220 hours on implementation.

- Translation services staff members collectively spend a total of 2,080 hours annually for ongoing management and support. That includes around 80% of the time of the senior project coordinator for translation services, 10% of the translation services manager's time, and an additional 10% collectively from several translation project coordinators.
- During implementation, five translation project coordinators each spend 4 hours in training, 40 submitters each spend 1.0 hours in training, and 10 reviewers each spend 1.0 hours in training.
- During each of Years 1, 2, and 3, an additional 325 submitters and 200 reviewers are trained.
- The time that each submitter spends in training decreases from 1.0 hours in Year 1 to 0.75 hours in Year 2 and to 0.25 hours in Year 3.
- The time that each reviewer spends in training decreases from 1.0 hours in Year 1 to 0.75 hours in Year 2 and to 0.50 hours in Year 3.

Risks. Factors that may affect internal effort for implementation, management, and support include:

- The scope and complexity of the implementation.
- The number of end users to be trained.
- Prevailing local compensation rates.

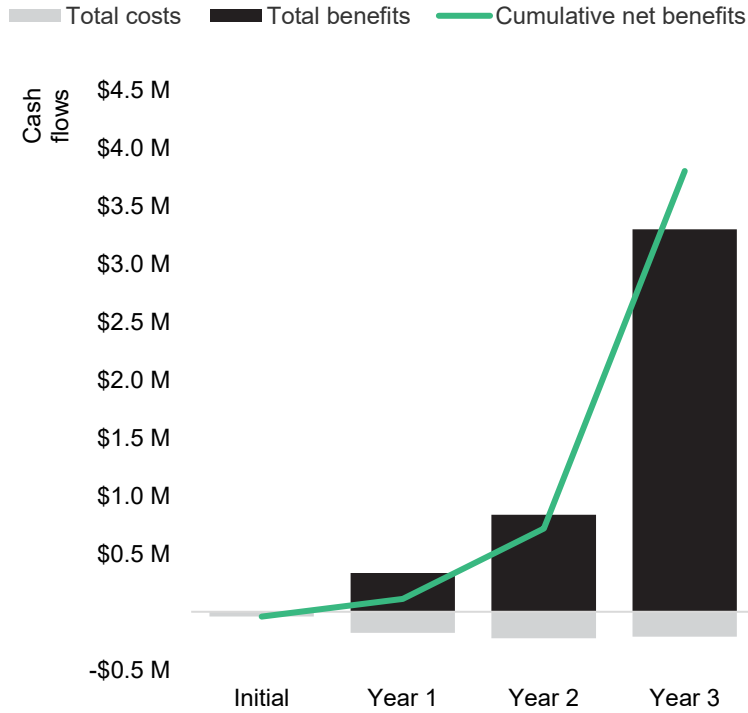
Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$360,500.

Internal Effort For Implementation, Management, And Support						
Metric	Source	Initial	Year 1	Year 2	Year 3	
F1	IT staff time required for implementation and ongoing management and support (hours)	Interviews	280	24	24	24
F2	Blended IT staff fully burdened compensation (hourly)	TEI Standard	\$55	\$55	\$55	\$55
F3	Translations services and legal staff time required for implementation (hours)	Interviews	220			
F4	Translation services staff time required for ongoing management and support (hours)	Interviews		2,080	2,080	2,080
F5	Blended translation services and legal staff fully burdened compensation (hourly)	TEI Standard		\$50	\$50	\$50
F6	Number of project coordinators trained	Interviews	5			
F7	Time each project coordinator spends in training (hours)	Interviews	4			
F8	Number of submitters trained	Interviews	40	325	325	325
F9	Time each submitter spends in training (hours)	Interviews	1.00	1.00	0.75	0.25
F10	Number of reviewers trained	Interviews	10	200	200	200
F11	Time each reviewer spends in training (hours)	Interviews	1.00	1.00	0.75	0.50
F12	Blended coordinator and end user fully burdened compensation (hourly)	TEI Standard	\$50	\$50	\$50	\$50
Ft	Internal effort for implementation, management, and support	$(F1 \cdot F2) + ((F3 + F4) \cdot F5) + ((F6 \cdot F7) + (F8 \cdot F9) + (F10 \cdot F11) \cdot F12)$	\$18,900	\$131,570	\$125,008	\$114,383
	Risk adjustment	↑10%				
Ftr	Internal effort for implementation, management, and support (risk-adjusted)		\$20,790	\$144,727	\$137,509	\$125,821
Three-year total: \$428,847			Three-year present value: \$360,535			

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$41,590)	(\$182,327)	(\$229,109)	(\$215,821)	(\$668,847)	(\$558,838)
Total benefits	\$0	\$334,787	\$837,175	\$3,296,989	\$4,468,951	\$3,473,308
Net benefits	(\$41,590)	\$152,460	\$608,066	\$3,081,167	\$3,800,104	\$2,914,470
ROI						522%
Payback						<6 months

Appendix A: Total Economic Impact

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

TOTAL ECONOMIC IMPACT APPROACH

Benefits represent the value delivered to the business by the product. The TEI methodology places equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization.

Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.



PRESENT VALUE (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.



NET PRESENT VALUE (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.



RETURN ON INVESTMENT (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.



DISCOUNT RATE

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.



PAYBACK PERIOD

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Appendix B: Endnotes

¹ Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

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