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“What gets measured gets done.” While it may seem simple, this statement is at the heart of performance metrics. Unless you measure your results, you cannot possibly tell if your organization is failing or succeeding. However, simply measuring things is not enough. Why not? Companies with translation and localization departments often measure their own performance, but they face a two-fold dilemma: what to measure, and how to interpret the results.

In the absence of comparable data, many firms end up unintentionally rewarding the status quo – even when it is not working. Worse yet, they are unable to recognize failure and therefore cannot correct, improve, or manage what needs to be changed. What is the path to identifying the metrics to allow you to recognize where alterations are required? That is the fundamental question we set out to answer in this report.

This report covers several areas that most companies can measure: time, cost, and volume. Understanding the essential data associated with these issues will help you determine which metrics actually matter for your team, department, and organization. Once you implement them, you can employ them to more closely align with your organization’s overall strategy.

What You Will Find in This Report

Based on data provided by 226 respondents at buyer organizations who manage language-related services, this report provides a set of performance measurements against which translation and localization professionals can establish meaningful comparisons for their own operations. It covers historical data for 2009 and 2010, as well as projections for 2011 and 2012. The report is divided into the following sections:

- **Findings.** We share the data we collected as it relates to the external environment, including industry vertical and revenue range. We then cover scope of responsibility, job title, and team size as they correlate to spending, word counts, and content type. We also provide statistics to demonstrate specifically how volume, content type, number of languages, number of projects, turnaround times, and project size are all interconnected, at the same time that they impose boundaries that affect spending.
• **Analysis.** In this section, we provide insights on the most significant findings of this research in relation to external environment, organizational factors, and project characteristics.

• **Implications.** We offer additional insights into our findings and how they may affect your operations now and in the future. We also explain why you should act on this data, and we outline specific ways in which you can do so.

### Past Research on Performance Metrics

Whether you are just putting together your metrics program or you are preparing to update your dashboard, you can benefit from related research in the following areas:

• **Budget, compensation, pricing, and ROI metrics.** At the end of the day, metrics is all about choosing the right statistics to track your team’s performance, so that you can address deficiencies and better align yourselves with the larger corporate strategy (see “How to Benchmark Your Localization Budget,” Oct10; “Language Services Industry Compensation,” Sep10; “Translation and Localization Pricing,” Jul10; and “Localization Return on Investment,” Apr10).

• **Quality metrics.** To ensure that your products and services meet or exceed customer expectations, you must be confident that your partners are in step with you on quality (see “How to Kill the MT Quality Argument,” Oct11; “Translation Quality: What LSPs Want Buyers to Know,” Jul11; “How Buyers Manage Translation Suppliers,” Aug10; “Content Source Optimization,” May10; “Buyers Step Up Their Quality Measurement Efforts,” Nov09; “Assessing Language Service Provider Performance,” Sep09; “Eliminating Roadblocks to Translation Quality,” Apr09; “The Buyer-Supplier Quality Gap,” Sep08; and “Buyer-Defined Translation Quality,” Aug08).