Corporate federation

Companies rarely take lessons from 18th century philosophers, but STAR Group's approach shows the future-proofing benefits of the lessons of the past, according to *Josef Zibung*, the company's CEO

STAR Group is represented globally, with 51 locations in over 30 countries. From its base in Switzerland, the company offers multilingual information technology and services, providing innovative solutions for product communication. Being a Swiss firm, STAR Group draws upon the political and cultural traditions of Switzerland to decide its own organisational structure and philosophy.

The firm sees the decentralised federal political system of Switzerland as a good model to copy to ensure the best business practice and outcomes. The driving principle of STAR Group is that of federation: the company aims to enable and foster local competence and decision-making to achieve better business results. *European CEO* spoke to Josef Zibung, CEO of STAR Group, to discuss the company's unique organisational approach, various trends in the translation market, and STAR Group's leading products.

In what ways does STAR Group incorporate the Swiss federative principle in its work?

Switzerland was more or less forced into a highly federative approach, and had to learn this the hard way. After centuries of wars and battles in Switzerland among people from different regions, religions and localities (including urban versus rural inhabitants), people realised that only an approach supporting as much local decision making and competence as possible, combined with a highly participative democratic approach, would solve that Gordian knot of conflicts. This approach requires citizens take responsibility for what they are deciding and doing, and also take responsibility for the results of joint decisions taken after a public debate.

The federative approach in Switzerland is strongly influenced by the 18th century philosopher and writer Jean-Jacques Rousseau, who hailed from Geneva. In his book *The Social Contract*, Rousseau postulated that citizens, consisting of the whole population, are sovereign, and therefore form the 'general will'. This general will is not the sum of private interests, but the result of an informed discussion in which all citizens make up their minds concerning what might be a good decision for the entire community, not only for themselves as individuals. Translating this into the business world means employees decide and act in teams, with an entrepreneurial spirit, asking themselves: "What would we want if we were the customer, and how would we deliver it if this were our company?" This only works if employees also have sufficient competence and do not have to get permission from high up in the hierarchy for all critical activities.

How does this approach impact your firm's performance, both domestically and globally?

STAR delegates a lot of decision-making power to its country units, which allows those units to develop and successfully sell locally adapted versions of our offers. This again makes STAR agile, and allows for short decision paths and customer-friendly adaptability. We receive a lot of enthusiastic feedback from our customers telling us how well STAR people understand their needs and how proactive our staff are.

The opposite to this – a centralised approach – would be inadequate in today's

> *A centralised approach would be inadequate in today's industry, as the complexity of products, business tasks and infrastructure is increasing rapidly*

industry, as the complexity of products, business tasks and infrastructure is increasing rapidly. This stands in contrast to, and to some degree also as a reaction against, globalisation, with its standardisation of brands, products and offers.

Authoritarian governments, religious movements, and increasing differences in lifestyle and culture between urban and rural residents all result in a patchwork world. Centrally designed, global recipes are always certain to fail in such a landscape. That is the reason we believe in the federative approach. It is also the reason hi-tech, highly digitalised companies use a very team-centric and federative approach, with teams from different global locations working closely together on customer and research projects. Results are produced in an agile way. This approach also needs room to fail and quickly learn from failures. So, an error culture is part of a federative approach.

What related trends can be observed in the global market today?

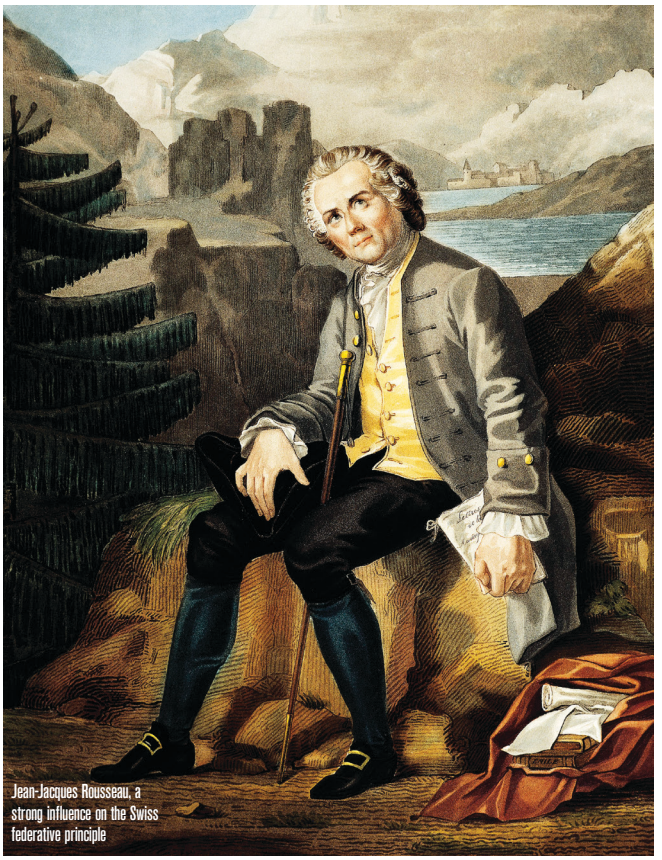
Besides the cultural trends I previously mentioned, we can also observe a range of information-related trends. Businesses must now communicate with highly diverse global markets, with differing experience levels and cultural traits. There is also an accelerating loss of experience and skills due to demographic shifts, for example the retirement of baby boomers and increased levels of migration.

In line with this, the increased automation of knowledge work requires new and completely different skills. Similarly, we are also seeing increased business, product and service complexity, such as industry 4.0, the Internet of Things, and a growing digital transformation. We are seeing the digitalisation of everybody and everything, leading not only to a drastic increase of human-to-human communication, such as social media, but also machine-to-human elements, such as robo-bosses, and machine-to-machine elements, such as car-to-car communication.

How do these trends impact information needs?

The above-mentioned trends and impacts result in a huge range and variety of information needs. This requires highly personalised and localised information provision on all levels – a centralised, one-size-fits-all approach will fail in this situation. In terms of information communication, applying the federative principle means that, while information is centrally stored and managed in a cloud, it needs to be processed and personalised for skill level, situation and region. This empowers people to succeed in the emerging business world.

Our new collaboration suite for translation management is a good example of this. It provides access to all translation jobs and a terminology database in a central information hub. Access rights and business rules control who has access to which jobs. The individual agencies and translators see all eligible jobs they could work on, and select according to priority and preference which one to process next. »


Jean-Jacques Rousseau, a strong influence on the Swiss federative principle

Their work results are immediately accessible to colleagues and customers, including, for example, a translation for new terms and phrases, such that they can profit from it as well. This fosters and supports an efficient, decentralised, but nevertheless global collaboration of teams from different companies.

Also, our GRIPS collaboration portal reflects this approach. A good example is the collaboration of a consortium from four different European companies on customer and configuration-specific technical information for a jet engine. Each team contributes thousands of information modules to support maintenance, repair, overhaul and troubleshooting of the jet engine. This information is compiled in regular intervals into consistent, up-to-date technical publications for each customer. The portal validates each individual contribution according to business rules, allowing only valid modules to be uploaded. It also provides access to modules uploaded by other teams, to previously published customer documentations, and to a preview of the forthcoming publication. In addition, management and reports are available on the status of each publication, as well as on the contributions of each team.

Can you explain STAR Group's semantic information technology?

STAR's semantic information technology enables services and personalised communications, supporting businesses all over the world. It allows people to successfully operate and service products in global markets, such as upskilling a globally expanding service organisation. It also empowers people with diverse skill and experience levels to successfully contribute to new business and production processes. It embraces technologies for intelligent content or information management, using semantic information modelling similar to what Apple is using for Siri, Amazon for Alexa, and Google for Now. It also covers technologies for enterprise translation, localisation and terminology management, including machine translation based on artificial intelligence and big data.

GRIPS – our semantic product information management solution – organises information in an object-centric way. Each major element or component of hardware, software or service product is modelled in GRIPS and has information modules associated to it. For a hardware component, for example, these are information modules on how to assemble, disassemble, maintain, diagnose and repair. Those information modules link to other information modules. For example: pre-work to be done before disassembling a component, such as jacking/lifting a car; references to modules representing tools; consumables, such as oils and greases; spare parts, such as gaskets; and technical data, such as filling quantities for oil. Together, all information modules, with their linkages, form a semantic information network that can be automatically interpreted and processed.

Besides publishing information for tech reps as apps, web pages or manuals, the information can also be queried in a flexible way. For instance, it can list all tasks requiring the car lift or all tasks using a specific oil as a consumable. Based on this information, GRIPS can also generate service plans optimised in terms of time, cost and service interval.

What challenges do you see ahead in the industry?

The current challenges include an increasing trend towards visual forms of information, such as movies, animations, 3D models, and augmented/virtual reality-based instructions. STAR has developed new offers for productive video subtitle localisation, and is investing heavily into transforming existing content in a scalable, production-ready process into augmented and virtual reality applications. Semantic, object-centric information technology is a huge enabler for this, as it allows the system to answer questions around each object in an augmented and virtual reality application, and to feed relevant information on each thing a user looks at, as well as providing user-friendly step-by-step instructions on how to operate, maintain and repair a product.

What does the future have in store for STAR Group?

STAR Group will continue to set standards of excellence for intelligent information management. We will resolutely maintain our reputation as a reliable, respectful, and innovative partner for the global information management needs of our customers. We do not sell dreams – we deliver results. Customer satisfaction is our passion. We will continually reinvent ourselves, with the clue to the company's future in the name: Services and Technologies for an Augmented Reality, or STAR for short. ■