

Crossing the cultural chasm – Improving efficacy of expatriate assignments

Expatriate assignments have to be conceived as an ongoing process of engagement in the expatriate's career/talent development process

Talent management in global corporations presents unique and interesting challenge for the HR profession. As addressed in my previous article, the talent acquisition and development needs of global corporations tend to be closely linked to the stage of globalisation of business and is generally more tightly aligned with the organisation's strategic plans and skills levels needed for each stage. Expatriate employees form a key source of talent as corporations expand into new markets i.e. to fill gaps in technical skills and management expertise in the local labor pool. More importantly, expatriate assignments could be strategically positioned to foster organisation culture, leadership values and to align key processes, policies and strategies between the corporate and its subsidiaries.

Expatriate assignments are one of the costliest staffing endeavours for every corporation. The measurable (additional remuneration, travel expenses, allowances, taxes and cost of transitional services) and intangible (transition expenses, relationship costs, opportunity costs) costs quickly add up to an average of \$1 million USD for a 3 year assignment. A 35 per cent rate of failed expatriate engagements (premature return to their countries without completing their assignments, primarily due to the cultural shock and differences) is an anti thesis to effective talent management practice.

Here are some fundamentals aspects that can improve the efficacy of expatriate assignments:

- Expatriate assignments have to be conceived as an ongoing process of engagement in the expatriate's career/talent development process. Anticipate and address ongoing life style transition/ skill enrichment needs.
- Take a holistic approach in defining the assignment i.e. see beyond the technical, job skills and consider personal characteristics, readiness and support of family members and cultural compatibility requirements.
- Adopt standardised expatriate assessment tools and methods to assess compatibility to living/working in a different cultural environment. Set and manage appropriate expectations on opportunities and challenges living and working internationally.

Another key aspect of an effective expatriate program is the retention of repatriate employees. The real payoff from expatriate assignments actually begins when assignees return home or to their next assignment. It is then, that global leaders develop and can apply their newly acquired expertise and cross cultural skills. Anything that affects or threatens a successful reentry and the continuation of a global professional career is of strategic importance to a global corporation.

Similar to an expatriate, repatriates also experience a predictable adjustment cycle (honey moon phase, cultural shock phase, adjustment phase) as they return to their home country after working/ living in a foreign social/ work culture for a few years. This aspect is often underestimated in most talent management programs. A best practice approach in this regard would be to plan the repatriation process at least 6 months ahead of transition, enable the transition with a coach/ mentor who can facilitate the development of a line of sight for the new job/ role for the repatriate, skill building through retraining programs.

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