

Expatriate management assignment



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Expatriates face substantial uncertainty regarding their new role in the organization when they first arrive in their new location. Any information they gain regarding the new job, the organization, and the larger cultural environment will help them learn what to expect, how to interpret various stimuli they encounter day-to-day, and what the appropriate behaviour is in a given situation.

Especially at culturally challenging environments, with social networks, which are also very rich informational networks, the expatriates may be left out of important decisions and information if they are unable to penetrate existing informational networks. Paradoxically, informational support from local staff most critical to the successful experience of the expatriate is also likely to be more difficult to gain.

Many local staff has traditionally expected to learn from expatriates, because the expatriates are often viewed to be the experts with specialized knowledge, sent to the host unit to lead local staff rather than to learn from them. When these expectations are coupled with the fact that expatriates often earn much more than the local staff, the local employees may feel resentful. Cooperation: Expatriates sent to lead subsidiaries in various capacities will find gaining the local staff's cooperation indispensable to the performance of their job.

The ones, who are not well integrated and accepted by their local staff colleagues are less likely to perform the job well or be satisfied with work relationships within the team, which may lead to other counterproductive work behaviours ranging from tardiness and absenteeism to more extreme

behaviours such as insubordination, withholding of vital information, and even sabotage. Emotional support: Emotional support helps a person to believe that he or she is cared for, esteemed, valued, and belongs to a network of communication and mutual obligation.

The aforementioned alleviate some of the stress the expatriates faces and make them they feel “ fit in” with their local colleagues better and thus enjoy greater levels of work satisfaction and commitment to the host organization. The opposite often results in hurt feelings, disappointment, and a sense of isolation, which affects negatively their performance. Some HR practices discourage the socializing role of local employees hurting the establishment of cohesiveness and rapport between expatriates and local staff.

Ethnocentric HR practices that favour the expatriate over local staff, whether intentionally or unintentionally, send a message to local staff that they are less valued than the expatriates. As a result, local staff is less likely to feel friendly or supportive towards expatriates who receive favourable treatment for reasons that may not always seem obvious or acceptable. These differentiating HR practices, which we will discuss, include compensation, selection and promotion, and training.

Compensation: Many multinational organizations seek to minimize expatriate failure by providing expatriates with enough incentives to take on and remain on the assignment until the task is completed. Expatriates who come from a country of higher standards of living are likely to have a base pay that is much higher than that of the local staff, in addition to the various

allowances and incentives awarded to the expatriates for taking on the assignment.

When expatriates are moved to a destination with a high cost of living such as Tokyo or London, MNCs usually make significant adjustments to the expatriates' total compensation package to allow the expatriate to maintain a standard of living comparable to that which they would have enjoyed. These discrepancies can lead to strained relationships between the two groups of employees, making it unlikely that the local staff will go out of their way to help out an expatriate who may be having difficulties adjusting to the new job and environment.

Worse, these discrepancies can result in resentment, leading the local staff to be unwilling to cooperate with the expatriate on any aspect of the assignment, and potentially frustrating the expatriate's efforts to be successful. Thus, the very compensation practices often put in place to help ensure expatriate success may actually jeopardize it instead. Selection, Promotion, & Training: Ethnocentric HR practices can also be found in selection, promotion, and training.

Frequently, for control purposes, parent companies prefer their own nationals to hold those positions whether or not they are the necessarily the best-qualified persons for the job. It becomes frustrating for local staff when they view expatriates getting choice positions while a similarly qualified local gets passed over. The steps a multinational company should take in order to avoid or minimize all the unwillingness of the local staff to help and support the expatriates are: At the headquarters of the organization: 1.

Change Existing Compensation Policies – Pay expatriates salaries more in line with local employees

2. Select More Carefully – Ensure that expatriates are qualified to perform the jobs expected of them at a level consistent with the pay they will receive.
3. Use Transparent Pay and Promotion Policies – Develop pay policies that are viewed as fair and that are clear to all involved.

At the host country site:

4. Emphasize Favourable Referents – Identify alternative referent persons for host country national comparisons instead of the expatriate manager.
5. Breed Organizational Identification – Build a single organizational identity instead of allowing an “us vs. them” mentality to develop.
6. Prepare Local Staff – The local employees should be trained and oriented to deal with the incoming expatriates in much the same way as expatriates are often trained to deal with locals.
7. Use and Reward Local Mentors – Identifying mentoring expatriates as part of the local employee’s job, and then rewarding such behaviour will make it more likely to occur.

Local staff is important and must be recognized as such by multinational companies. Many organizations come to recognize this and act accordingly, but there is much more that can be done. The effective management of local staff will be a key component of effective competition in the coming years. A local perspective to expatriate success Academy of management executive, 2005, Vol. 19, No 1 by Soo Min Toh and Angelo S. DeNisi