The Important Factors for Expatriate Success: A Case Study

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Introduction

On the cover of Time magazine, Chien-Ming Wang stands tall in the Yankee Stadium. This quiet pitcher from Taiwan is just one of countless examples that global opportunity brings a foreign born to a foreign land. Commercially, as market boundaries across the world continue to dissolve, it has become increasingly common for organizations to move into new foreign markets. In order to expand globally, employees are often required to work around the world away from their country of origin, and they represent a potential competitive edge for the success of global corporations. But these overseas assignments are usually very challenging for the employees involved, and unfortunately, incidents of employees falling short of company expectations are rather common, and can cause tremendous losses for the organization (Pires et al., 2006). Despite the demanding tasks and high failure rate associated with international assignment, global corporations are still showing no sign of slowing down because of increasing foreign revenues (Bruning & McCaughey, 2005); and employees are still raising hands to take on international assignments for
the advantages offered by the oversea experience (Global Relocation Services, 2005).

When companies enter into international business, the best domestic strategies
are no longer by definition the best international strategies. Therefore, it is essential
for companies wanting to capitalize on the global opportunity to develop a better
understanding of what makes expatriate assignments successful. So it is no doubt
that the success of expatriates is crucial and requires a lot of attention. This paper,
then, tries to understand what makes expatriate success with actual practices of a
well-known and sophisticated global corporation, company A, as a model along with
related studies looking at what corporations can do to increase the likelihood of
expatriate success.

In this paper, expatriation is divided into three distinct and important phases of
expatriate assignment: pre-departure, during assignment, and repatriation. The
majority of emphasis in this paper will be on the pre-departure phase, because most of
causes for the expatriate failure are mostly preventable. Organizational support can
play a big role in making a successful international relocation (Kraimer et al., 2001),
especially during the pre-departure phase as most causes for failure are still
preventable. Finally, at the end of each subsection this paper proposes whether there
is room for suggestion.
Expatriation

The term expatriate refers to “an employee sent by his or her company in one country to manage operations in a different country” (Noe et al., 2006, p.641), and by so doing, organizations can send their own employees from their parent countries or even from third countries to a host country. In company A, the definition of expatriate is an employee who lives and works in a foreign location other than his or her home country; given the employee has the approval for international service assignments from the vice president of his or her department.

There are many opportunities and challenges of global business that create the need for expatriates. For instance, in order to overcome the lack of qualified candidates, companies in China rely on skilled workers from other countries (Kaye & Taylor, 1997), or organizations often provide international experience to talented managers for career developmental purposes (Mendenhall et al., 1987). Other strategic reasons include transmitting organizational culture, transferring knowledge, improving coordination and functional needs of control, and developing global skills (Bennet et al., 2000; Jan et al., 1994; Tung, 1982; Bolino, 2007).

Since these expatriates are often carrying great expectations from the organizations, and expatriate experience can also enrich both the individual and the organization, it is therefore important to have a successful assignment, instead of one
ending in failure. Adopting Harrison and Shaffer’s (2005) description of successful expatriates, expatriates are said to be successful when they do not quit their assignments prematurely, and complete their tasks and develop/maintain interpersonal ties with employees in the host country.

Additionally, many studies also argued that “expatriate adjustment” and expatriates who are successful during the assignment but leave the organization shortly after the assignment is over (Black & Gregersen, 1991; Gomez-Mejia & Balkin, 1987) as other criteria for measurement of expatriate success. Scholars use the term of expatriate adjustment to refer to a process through which an expatriate comes to feel comfortable with a new environment and harmonizes with it (Huang et al., 2005). Expatriates’ ability to adjust is more than just a matter of psychological well-being in a foreign country (Aryee & Stone, 1996), but also a significant assistant to the success of international assignments (Morrison, 2002; Toh & Densi, 2007).

Given the complexity of overseas assignments, it is understandable that not all expatriates perform well on the international assignment. Studies found that failure rates associated with expatriate assignments are between 25 and 40 percent (Forster, 1997; Sanchez et al., 2000), the average cost to relocate an expatriate to be US$60,000 (Noe et al., 2006, p.646) and a total cost of over US$2 billion per year for American expatriating firms (Pires et al., 2006). Many other damages to both
organizations and individuals also exist; such as damage to the company reputation and demoralization of the returning employees and the host country nationals as well.

The chances of expatriate success are likely to be increased if organizations can focus on minimizing expatriate failure, and designing a suitable expatriate program.

So let’s turn the focus to the background of a well-known global corporation and its industry for a better understanding of implications from its expatriate practices.

**Company Background**

Founded in 1903, company A is a multinational corporation based in Detroit, Michigan, and the third-largest automaker in the world, with about 283,000 employees employed at over 100 plants and facilities worldwide. Company A now encompasses seven other global brands in which each brand not only has different market position and consumer group, but also originated in a different country with dissimilar culture. In 1972, Company A began its operation in Taiwan as a joint venture, and in 1998, company A established a design center in Taiwan to develop products based on local preferences. Besides supplying the local demands, company A in Taiwan also shipped its finished products to supply other markets, for example, Japan, Australia, New Zealand, Canada and Russia. As on April, 2007, company A has 599 full-time employees and 1,035 part-time employees in Taiwan.
In terms of the company’s human resources overview in Taiwan, there are a few distinctions when compared to its competitors in the market. For instance, company A has the highest percentage of employees with the postgraduate degree, and the highest females working force. Additionally, the company was awarded many times for its great contribution in creating a “gender-free” environment to employees and giving back to the community, such as, “Best Employer” by Cheers Magazine in 2006, and “Enterprise Environmental Protection Award” in 2004.

How to describe the word of “career” at company A? Perhaps, its slogan says the best: it is “a career with no boundaries.” Over the years, many employees in company A were sent to overseas assignments at various company locations around the world. Since the begin of its operation in Taiwan, company A has sent over 200 employees on foreign assignments, and currently, there are a total of 44 employees on the overseas assignments, so that is almost 1 in every 10 full-time employee has some sort of expatriate experiences.

To conclude, as the former president of company A in Taiwan, but now the president of a regional operation in China once said, “a career at company A, it is not just Taiwan, the opportunity goes out to the world.”
Company Expatriate Characteristics

Since the beginning of 2007, there are a total of 44 employees and 43 accompanying family members from Taiwan are currently on the overseas assignments. The below is the breakdown of expatriates and accompanying family by location in the company:

Table 1: Expatriates & Accompanying Family of Company A

<table>
<thead>
<tr>
<th>Location</th>
<th>Expatriate</th>
<th>Accompanying Family</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>31</td>
<td>36</td>
<td>67</td>
</tr>
<tr>
<td>Philippines</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Japan</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Thailand</td>
<td>6</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Germany</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Australia</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Malaysia</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44</strong></td>
<td><strong>43</strong></td>
<td><strong>87</strong></td>
</tr>
</tbody>
</table>

Currently, company A has expatriates working in seven countries for various reasons (Table 1), for instance, expatriates in Germany and Australia are mainly for the technical training assignments. This table also shows the majority of expatriates working in China have accompanying family which is unlike other locations; it is mainly due to the similarity of culture between Taiwan and China. Other breakdowns of expatriate characteristics in the company will be discussed later.

There are three phases of expatriation: pre-departure, during assignment, and
repatriation. In the following sections, I will describe their definitions accordingly and emphasize the pre-departure period as most of causes for the expatriate failure are still preventable by the company.

I. Pre-Departure

Pre-departure period includes all the elements need to be considered, and the actions that company A takes to enhance an expatriate’s ability to adjust and coping skills before the actual departure to the host location. There are 7 chief pre-departure stages in an employee’s expatriate experience.

1. Willingness to Serve Overseas

Willingness to serve overseas is the readiness of employee’s mind to relocate geographically to take on an overseas assignment for a period of time, and this degree of willingness to serve overseas acts as the central foundation that supports all other factors of expatriate success.

Due to the background of company A and its industry, it is rather frequent to hear skilled and qualified employees have the opportunity to work and live abroad. In company A, the first process of expatriation starts when employees fill out a job application when they apply to join the company initially. In the job application form, company A asks the applicants if they are willing to relocate internationally and
the preferred location. By doing so, company A can identify an applicant’s interest for overseas assignment, and since expatriation is a common feature for an international company, this may also be a good way of selecting employees too.

After joining the company, every employee is required to fill out a Leadership Development Employee Profile at the beginning of each year. In the profile, employees not only fill in or update important information such as key accomplishments in the company, position history, career interest, education, and language, but also the “willingness to relocate in the next 12 months.” Then, this profile is immediately reviewed by the supervisor, and used as a way to identify, for selection purpose, an employee’s interest in accepting a foreign assignment.

The reasons for not wanting to relocate in the company are mostly family-related issues, such as spouse career or children’s education, as well as, reluctance to go to locations where the standard of living is lower than home country. A study has also found that an employee’s desire to serve overseas is important to expatriate success and can later become either a criterion for expatriate selection or a cause of expatriate failure (Stone, 1991). This is similar to company A’s practice.

Company A believes that desire brings great commitment, and expatriate success will more likely come from those who ask for an overseas assignment rather than people who have been forced into working abroad, so this is the first important factor
for expatriate success. Therefore, picking employees who are willing to relocate overseas is the first step of expatriate success.

Choose employee wants to relocate to become expatriate.

2. Consistency in Foreign Assignments Policy

Global consistency is the International Service Global Policy which describes company A’s overseas relocation practices and processes, and set up well-defined, standardized processes for expatriate practices in the company.

In order to illustrate the company’s practices and procedures for expatriates, company A has an International Service Global Policy that is written with the expatriate in mind. This applies to all the company’s expatriates around the world to ensure global consistency in the administration of expatriates. This policy highlights factors to consider when deciding whether or not to accept the assignment, tasks that need to be completed before departure, practices and procedures that affecting expatriates during assignments. Other key issues included are reimbursement and expense procedures, compensation packages and benefits, supports upon the completion of assignment, and most importantly, where to find organizational assistance. Having this policy guide allows employee in company A to use as a reference at no matter what stage of expatriation he or she is in.
Expatriation creates significant demands that often go beyond the knowledge, skills, and abilities of the expatriates (Black, 1988). Even making the decision to accept the international assignment can sometimes be hard-to-breathe, so having a global policy guide that includes every inch of expatriation can become a preview of expatriation at the company A for any potential expatriate to increase the probability of expatriate success. Thus, keeping expatriate policy easy-to-understand and consistent will positively contribute to expatriate success.

**Keep policy simple and consistent.**

### 3. Support Network

Support network is the organizational support services for expatriates in company A during the three phases of expatriation.

For the support services, company A assigns a designated human resources employee, IS Contact in the home country to become the contact person on behalf of the expatriate with another IS Contact or human resource representative in the host country. Similarly, studies have also linked the presence of a supportive network to associate with greater expatriate effectiveness (Black & Gregersen, 1991; Aryee & Stone, 1996; Liu & Shaffer, 2005).

In company A, the role of the IS Contact for the expatriate in both of the host and
home country enhances the degree of support given to the expatriate during the
different stages of expatriation, and is essential for many important factors for
expatriate success are about to be discussed in this paper. There are several
advantages with IS Contact for the expatriate. For instance, IS Contact at home will
assist the expatriate in preparations for assignment, liaise with the host IS Contact,
and retain ongoing career planning responsibility for the expatriate. The host IS
Contact will support the expatriate for the duration of the assignment after arrival. In
company A, expatriates often jokingly refer to these IS Contacts as their “babysitters”
who, like a great parent, looks after their expatriate experiences.

The job description for both of the host and home IS Contact which is clearly
identified makes it simple for an expatriate to know who, where and when to ask for
support and advice. Consequently, giving expatriate incessant support both at home
and abroad will enhance the likelihood of expatriate success.

| Give expatriate continuous support. |

4. Expatriate Selection

When expatriates are on foreign assignments, in addition to daily work, they can
be under a lot of stress due to all forms of work role transitions (Aryee & Stone, 1996),
differences in things as language, cultural, values, and expectations (Shin et al., 2007).
As result, company A is extremely cautious in selecting the right expatriates for the right positions and at the right locations.

Opportunity to work abroad at company A is initiated in two ways. One starts with an offer from a foreign country to the divisional headquarters when there is a need for a qualified expatriate. Another starts with a request from a local country to divisional headquarters to work as an expatriate in another country. When there is an opening for a foreign assignment, here are the steps in selecting the best candidate:

1. A Personal Development Committee will be held between human resources staff and associated departmental staff to nominate the most suitable employee for the assignment, based on the job description of the assignment. The nominated employee is mostly the one who has been with the company for at least 3 years, after he or she has acquired enough knowledge about the company (Table 2)

Table 2: Expatriates by Seniority

<table>
<thead>
<tr>
<th>Seniority</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5 years</td>
<td>8</td>
<td>18.18</td>
</tr>
<tr>
<td>5 ~ 10 years</td>
<td>10</td>
<td>22.72</td>
</tr>
<tr>
<td>10 ~ 15 years</td>
<td>6</td>
<td>13.63</td>
</tr>
<tr>
<td>15 ~ 20 years</td>
<td>7</td>
<td>15.90</td>
</tr>
<tr>
<td>20 ~ 25 years</td>
<td>4</td>
<td>9.09</td>
</tr>
<tr>
<td>25 ~ 30 years</td>
<td>4</td>
<td>9.09</td>
</tr>
<tr>
<td>30 years and above</td>
<td>5</td>
<td>11.36</td>
</tr>
</tbody>
</table>

2. The committee members will select the best candidate for interview based on the
candidate’s accomplishments in the company, willingness to relocate, language, performance review, and recommendation from his or her supervisor. Although family issues play a crucial role in the expatriates’ success, company A does not attempt to include family into the criteria, but leaves the decision up to the expatriate.

3. After the candidate is chosen, the overseas operation will make the final decision based on the telephone interview with the candidate.

Other than the current criteria for selection used by company A, there are many other skills necessary for successful performance in foreign assignments. Here is what scholars have put together as the way to select an expatriate which may improve company A’s success rate.

First, according to Stone (1991), here are the ten selection criteria for expatriates: ability to adapt, technical competence, spouse and family adaptability; human relation skills, desire to serve overseas, previous overseas experience, understanding of the host country culture, academic qualifications, knowledge of the language of the host country, and understanding of the home country culture. Generally speaking, these criteria all represent the important causes of expatriate success, and can be the first step in broadening the qualified pool of candidates for further selection in company A.

Second, the study Huang et al., (2005) has found that extroversion, openness to
experience, and agreeableness in Big Five personality has a significant relationship with expatriate adjustment. It is therefore suggested that personality can be included as selecting criteria, and company A can do so by a personality test or in-depth interview. However, company A should be particularly cautious when selecting expatriates for different countries or cultural backgrounds, because the right personality when selecting an expatriate should be based on the host culture’s most relevant aspects.

Finally, inspired by the speech on “global mobility” by Dr. Maury Peiperl of IMD International at the 2007 Summit on Globalization of Human Resources, personal background and experience can also be vital criteria in selecting expatriates for company A. Those who have traveled, studied, and lived abroad previously are more capable than others in handling cross-national assignments. As matters stand, selecting a successful expatriate is to put the right employee in the right position, and at the right location.

5. Select the best expatriate.

5. Realistic Orientation and Briefing

The nomadic lifestyle of an expatriate is not for everyone. To some extent, an overseas assignment requires a spirit of adventure and the ability to cope with
uncertainty and change. So, to inform employee about the content of assignment is very crucial, because it can gives expatriate the realistic expectations about the job that help them to handle work stress during the assignments more easily (Forster, 2000), and influenced the way they perceive expatriate training (Lee & Croker, 2006).

In company A, once an expatriate has been selected, a realistic orientation will be given to the expatriate. The purpose of orientation is to review and to identify any prospective issues associated with the international assignment with the potential employee and also very importantly, family members. The orientation is done prior to the pre-assignment trip, so a full policy is conducted and special needs are identified.

In company A, the orientation can be seen as an assessment for an employee to self-select whether or not to take the overseas job. So what company A does to assist this assessment is to discuss the following seven issues during the orientation with the employee and family:

1. **Psychological and social considerations** because both expatriation and repatriation would require effective stress management, flexibility and adapting to tremendous change.

2. **Cost-of-living and finance** as an employee’s early impressions may be that the cost of living in the host country is more or less expensive when compared to the
home country.

3. **Housing** during the overseas assignment the expatriate and family probably needs to adapt to differences in space, type and the style of properties and amenities.

4. **Education** abroad may be very different from what the employee’s child experiences, with potential advantages or difficulties for accompanying school-age children.

5. **Work demands** may involve longer working hours and/or greater travel requirement than at home, which may affect the family. Consideration must also be given to the potential inability of the expatriate’s spouse to work in the host country.

6. **Leisure activities** that an employee or family member has a strong interest in may not be available at the host location.

7. **Career planning** during foreign assignment may create greater difficulty than at home which would require employee’s close participation to coordinate with the host office.

The intention of orientation is to give employees and their families a better understanding of some of the factors that might play a role in deciding whether or not to accept the overseas assignment, and most importantly, to make a joint decision
which is similar to what the study (Black & Stephens, 1989) determined. Family issue is an important element in expatriate success. So, giving a realistic orientation can scare away an unqualified expatriate, yet keeps the unqualified one.

**Give expatriate a realistic orientation.**

6. *Pre-Assignment Trip*

The pre-assignment trip is the realistic job preview of the overseas assignment that provides the expatriate with accurate, and both appealing and less attractive job-related information. With support from the positive relations of realistic job preview to employee’s work adjustment and satisfaction in new settings in the domestic context (Philips, 1998), it is expected that the pre-assignment trip will have the same trick in the international context, as Templer *et al.*, (2006) pointed out that a realistic job and living condition preview relates to expatriate adjustment on the assignment.

After the orientation, the home office will contact the host location, and the designated contact for the expatriate at the host location will prepare the following pre-assignment trip agenda accordingly:

- **Host orientation** that includes a briefing on local policies and customs.
- **Community orientation** that shows available housing, education and recreational
facilities.

➢ Review of further training such as cultural and language training, as necessary.

It is recommended at company A that the pre-assignment trip includes the spouse but not children. The trip is usually 5 business days in duration, excluding travel time. Company A is aware that in addition to knowing the working environment at the host country, a well-planned pre-assignment trip can provide enough first-hand information to the employee and accompanying spouse to assess the suitability of the assignment and interest. For example, one interviewee talked about the comfort that he had received as result of his pre-assignment trip.

The best thing about the pre-assignment trip is its first-hand experience, its ability to clarify my previous uncertainty...and it feels great to be able to recognize the faces I met during the pre-assignment trip on my first day of work here.

Therefore, on returning home, the employee and spouse are able to decide whether or not to accept the assignment, since they have acquired first-hand understanding of the new work surroundings.

Give expatriate a pre-assignment trip.
7. Cultural Training

The purpose of cultural training is to help employees deal with unpredictable matters when in the new culture (Earley, 1987). This ability to adapt to new culture is one of the most important elements of a successful international assignment. Currently, the cultural training in company A is only given to the employee during the pre-assignment trip, which includes factual information such as local history, policies, geography, climate, housing, schools and entertainment, and cultural orientation on local customs and value system.

However, in addition to the current cultural training, company A can also adapt Tung’s (1982) model to make the existing training program become “cross-cultural training” by including the following extra programs:

- Cultural assimilation, which consists of brief installments describing intercultural encounters.
- Sensitivity training that develops cultural empathy.
- And finally, field experience where expatriates can undertake some of the emotional stress of living and working with people of different cultures.

The purpose of cross-cultural training is to teach employees the importance of culture, to sensitize them to cultural differences, and to be aware of the inevitable psychological stresses when living in a new culture (Forster, 2000). Instead of only
offering training during the pre-assignment trip in company A, these cultural training
programs are recommended by scholars to give to expatriates at two times: before
departure and after the arrival of the expatriate. The local staff can give the training
program in the host country, because they are familiar with the conditions and
environment of the host country (Osman-Gani, 2000; Toh & DeNisi, 2005). These
are the most effective and qualified people to provide the necessary training to the
expatriates. The two times of training have its own effects: predeparture training
helps expatriates to form more realistic expectations of the host culture and work
environment (Littrell, et al., 2006), and post arrival training addresses the real-time
issues that are prompted by experience in the host country (Bennet, et al., 2000).

The timing of training is another issue as well. If cultural training is given too
close to the actual departure date, the expatriate will be overwhelmed, but given too
early, the risk is that the expatriate will simply forget about everything. The ideal
time of pre-departure cultural training is set to be anywhere from a month to three
weeks before the move in company A. As a result, training expatriates culturally can
increase his or her knowledge, skills and abilities to function effectively on the
assignment.

Give expatriate a continuous training program.
Therefore, a fully prepared expatriate and family are now set for the second phase of the international assignment: during assignment.

II. During Assignment

A successful human resources program for expatriates does not end when expatriates get on the airplane. Contrarily, it is only another beginning for expatriate success factors. Currently, company A is experiencing varying circumstances in both the purpose and background of expatriates.

1. Purpose of Expatriates

In company A, the purposes for sending expatriates to foreign operations vary with the expatriate’s leadership level in the company (Table 3). For instance, expatriates of higher leadership levels tend to be sent “to set up or manage new operations,” whereas young expatriates in lower managerial positions who are seen by the company as promising managers are sent mostly “to develop personal potential”, and finally “to develop necessary skills” for technique-oriented expatriates.

Table 3: Expatriates by Leadership Level

<table>
<thead>
<tr>
<th>Level</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>1</td>
<td>2.27</td>
</tr>
<tr>
<td>Vice-President</td>
<td>10</td>
<td>22.72</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>11</td>
<td>25</td>
</tr>
<tr>
<td>General Manager</td>
<td>14</td>
<td>31.81</td>
</tr>
</tbody>
</table>
Furthermore, it is becoming more frequent to send promising managers and younger technical staff to overseas exploration than ever before, and fewer expatriates with top executive positions, as they very likely have larger accompanying family size (Table 4) and require higher benefits. Sometimes, they can cost three times as much as filling the same position by locals.

Table 4: Expatriates’ Accompanying Family by Leadership Level

<table>
<thead>
<tr>
<th>Leadership Level</th>
<th>Accompanying Family</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>President</td>
<td>Single</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Only spouse</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Spouse and children</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td>Vice-President</td>
<td>Single</td>
<td>4</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Only spouse</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Spouse and children</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>Single</td>
<td>7</td>
<td>63.64</td>
</tr>
<tr>
<td></td>
<td>Only spouse</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Spouse and children</td>
<td>4</td>
<td>36.36</td>
</tr>
<tr>
<td>General Manager</td>
<td>Single</td>
<td>7</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Only spouse</td>
<td>5</td>
<td>35.71</td>
</tr>
<tr>
<td></td>
<td>Spouse and children</td>
<td>2</td>
<td>14.29</td>
</tr>
<tr>
<td>General Salaried Employee</td>
<td>Single</td>
<td>7</td>
<td>87.5</td>
</tr>
<tr>
<td></td>
<td>Only spouse</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Spouse and children</td>
<td>1</td>
<td>12.5</td>
</tr>
</tbody>
</table>
2. Trend of Expatriate Background

One of the most notable trends in company A is the changing demographic profile of the expatriate population. In Table 5, we can see 27.3% of current expatriates are female which is a lot higher when compared to the former expatriate population. Correspondingly, other studies have also reported the increasing number of female expatriate employees (Forster, 2000; Global Relocation Services, 2005) In company A, more female talented managers are being sent to overseas assignment as part of career development, and their performance have also proven to be as successful as male expatriates. Similarly, many studies not only have corroborated the effectiveness of female expatriates, and also stated the advantages of female expatriates, such as better personal characteristic in coping cross-cultural interactions and better relationship with the local staffs (Selmer & Leung, 2003; Varma et al., 2006).

Table 5: Expatriates by Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>32</td>
<td>72.7</td>
</tr>
<tr>
<td>Female</td>
<td>12</td>
<td>27.3</td>
</tr>
</tbody>
</table>

Secondly, as the automobile market in Taiwan continued to shrink while other new markets in Asia began to grow, company A has started to shift the emphasis to these new markets. As a result, many experienced employees in Taiwan were “lent”
to other fast-booming markets in Asia, especially China (Table 6), to fill and transfer the knowledge.

Table 6: Location of Expatriate Assignments

<table>
<thead>
<tr>
<th>Location</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>31</td>
<td>70.45</td>
</tr>
<tr>
<td>Philippines</td>
<td>1</td>
<td>2.27</td>
</tr>
<tr>
<td>Japan</td>
<td>1</td>
<td>2.27</td>
</tr>
<tr>
<td>Thailand</td>
<td>6</td>
<td>13.63</td>
</tr>
<tr>
<td>Germany</td>
<td>3</td>
<td>6.81</td>
</tr>
<tr>
<td>Australia</td>
<td>1</td>
<td>2.27</td>
</tr>
<tr>
<td>Malaysia</td>
<td>1</td>
<td>2.27</td>
</tr>
</tbody>
</table>

3. Language Training

Although majority of employees in the company A speak English, but when it comes to live and work at locations that speak entirely different languages, it becomes a big challenge for expatriates who do not speak the local languages.

Company A is aware that knowledge of the local language will enable expatriates and family members to participate more fully in the local culture and ease the cultural transition. Therefore, if the language spoken in the host country is not the native language of the expatriate, the IS Contact at host country will arrange language instruction for the expatriate, spouse, and children aged five years or older. So, speaking the local language can be highly beneficial to expatriate and family.

Knowledge of local language is a big bonus.
4. Company Rewards

As mentioned earlier, overseas assignments are not only challenging, but also can be relatively lonely sometimes for expatriates. However, there are self-management skills for overcoming the difficult tasks, but where is the cure for being homesick? There is none! A sense of homesickness will not only bring down job performance and finally cause the expatriate to quit the assignment early than planned, especially when 82% of the overseas assignments in the company are about two to four years (Table 7).

<table>
<thead>
<tr>
<th>Duration</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1 year</td>
<td>1</td>
<td>2.27</td>
</tr>
<tr>
<td>1 year</td>
<td>3</td>
<td>6.81</td>
</tr>
<tr>
<td>2 years</td>
<td>12</td>
<td>27.27</td>
</tr>
<tr>
<td>3 years</td>
<td>16</td>
<td>36.36</td>
</tr>
<tr>
<td>4 years</td>
<td>8</td>
<td>18.18</td>
</tr>
<tr>
<td>5 years and above</td>
<td>4</td>
<td>9.09</td>
</tr>
</tbody>
</table>

So here is what Company A trying to do to avoid having the expatriate to work physically at the host office while mentally reminiscing at somewhere else:

- **Home Leave** enables expatriates to go home at any time during the assignment period; and the number of free home leave trip is one less than the number of full year of the assignment.

The benefit of home leave is to maintain personal contact with family and friends,
as well as the home organization for career planning purposes, or simply to recharge
the mental battery for the better performance after returning to the host country.

As the company revenue continue to increase at the emerging countries in Asia,
more and more expatriates will be sent to locations where the standard of living is
lower, so company A recognizes the hardship associated with day-to-day living in
certain locations, and provides the following benefit to expatriates in designated
hardship locations:

- **Rest and Recuperation Leave** allows expatriates and family members to
temporarily leave the location and travel to a non-hardship location for relief.

For example, for expatriates from Taiwan and are working on the assignments at
China, Vietnam and Philippines (Table 6), they will be qualified for this provision,
This benefit can increase employees’ willingness to accept the expatriate assignment,
as employees’ disfavor of working at locations where the standard of living is lower
was mentioned earlier as one of the common reasons for not accepting the foreign
assignment.

The benefit of this reward is to provide relief to expatriates and families assigned
to a hardship location, to avoid them from losing enthusiasm in everything. Just like
an afternoon coffee or tea break can bring the smile back on employees’ faces. After
all, avoiding expatriates from feeling homesick and burn out can keep them healthy
and productive.

Beware expatriate feeling homesick and burn out.

5. Bring Expatriates and the Local Staffs Closer

So far, this paper has focused mostly on the perspective of expatriates, but the local staffs at the host country are also very important to the success of expatriate. A meta-analysis (Bhaskar-Shrinivas et al., 2005) found that expatriates are more likely to adjust when they receive social support, job assistance, and friendship from the local staffs. This finding is not shocking as the local staffs are indeed the ones who are familiar with the conditions and environment of the host country, but often share a different organizational identification than expatriates (Reade, 2003).

Indeed, there are still many local staffs in company A who are feeling too far apart from their co-workers or supervisors from other countries, but why? Sometimes, it is more than the differences between positions of expatriates and local staffs, or sizes of the offices; it is about the lack of understanding of expatriates’ cultures. Although, company A has monthly departmental gathering aims to bring expatriates and local staffs closer, but they are still missing a piece for the puzzle.

Let’s think this way, if an organization can gives expatriates cultural training to make them understand more about the local culture, why not give local staffs a similar
cultural training with a focus on culture of the inbound expatriate? Having a local staff who is aware of the expatriate’s culture can bring the local staff and the expatriate closer to avoid unnecessary misunderstanding, and to work together more effectively.

A training program for the local staffs should include a presentation of the expatriate’s country and culture, and basic training in cross-cultural communication and understanding. Offering something inappropriate to expatriates on their welcome party, such as offering pork chops to expatriates of Muslim background is just not a good way to start the relationship with them. This training program can be offered in an electronic format through the company’s Intranet where employees in the company can access anytime.

Another way of bringing expatriates and local staffs closer that company A can apply is by the use of a local staff as an expatriate’s mentor during the assignment. It is similar to the “campus buddy system“ in most Western universities or colleges where the schools will ask a senior student to be the buddy of an international student. But in the business context, the mentor will not only provide assistance in learning and understanding the local culture (Bruning & McCaughey, 2005), and also helps point expatriates in the right direction on both work and non-work matters (Toh & Densi, 2005).
Having mentor system encourages expatriates to constantly involving in the local activities, interacting and developing close relationship with local staffs, and eventually to become confidence in their overall adjustment. In return, local staffs can learn a great deal of knowledge and abilities from helping expatriates, and to become the global managers one day too.

However, since the local staff’s willingness to help an expatriate to adjust during his or her international assignment is a discretionary behavior that is not part of an employee’s formal job requirements, so it is important for the company to motivate and encourage this behavior. One way to motivate this behavior as proposed by Toh and DeNisi (2005) is to provide formal incentives or set up a reward system to the local staff for displaying supportive behaviors towards expatriates.

What are the good things of buddy system? Just imagine the sense of harmony when the local staff takes the expatriate to nights out of cultural experience, and weekend trips. So, pairing expatriates and local staffs is a win-win situation for the both of them.

Bring expatriates and local staffs closer.

Company A’s organizational support to expatriates does not stop at the end of their assignment, especially when these expatriates are only one step away from
expatriate success. Now, these expatriates are ready to go back home.

III. Repatriation

Repatriation is the bridge that brings expatriates home from their foreign assignments in the expatriation process, and it involves a careful career planning upon repatriation. The overall success of expatriation is colored by the effectiveness of repatriation, so without repatriation support, all of the valuable development and experiences of the expatriate will fall far away.

Career Development

In company A, repatriation starts at about 1 month before the foreign assignment is completed, and the Personal Development Committee will be held between human resources staff and associated departmental staff to discuss and plan the returned expatriate’s job. The common practices in the company is not to give expatriates too much of expectation that expatriation will brings them immediately to higher positions, but as managerial developmental purposes. As result, almost all expatriates will return to home offices and be assigned to the position comparable to the one while on the assignments. But this fact does not scare away employees from taking the foreign assignment, because international experience is valued highly in the company and sees as a strong stepping stone, as 7 out of the current 10 departmental
heads have experiences working overseas. Stahl et al. (2002) found that 59% of expatriates believed that an expatriate assignment would help them advance within their firms, so it is important to satisfy this need by repatriation program.

There are three types of repatriation programs in company A:

1. To place the expatriate back to a similar position at home office as he or she held while on the foreign assignment.

2. To extend the current international assignment or offer opportunity to work in other countries.

3. Finally, very rarely company A will place the expatriate back to a lower position if the performance reviews during the assignment did not meet the expectation.

If an expatriate is returned to a lower position, the Individual Grade Protection will assure the returned expatriate’s base monthly salary and leadership level are protected for up to five years after return. Last year, only 2 expatriates out of the total 47 were downgraded to a lower position upon return.

The end to expatriate success is not quite here yet, as Morgan et al. (2004) pointed out that the repatriate satisfaction is mainly influenced by the difficulty in finding a suitable position upon return. When the organization have mismanaged the repatriation process, it can affects organization’s ability to attract future expatriates (Bolino, 2007), and unable to retain expatriates (Bossard & Peterson, 2005). In a
recent survey, “opportunities to use international experience” and “greater choice of position upon return” were ranked as the top reasons for leaving the company after the assignment (Global Relocation Services, 2005).

However, this is not a concern in company A, because over past few years there were only 2 expatriates have quitted the job after returning to home office, but both of them quitted for the family reasons, not unsatisfied with repatriation. For the most part, it is because international experience is truly valued by the company, and treats as a necessary resource to get ahead in the company. It is similar to the findings from Stroh et al. (2000), greater career implications of overseas assignments can reduce repatriate turnover rate, and increase the willingness of other employees to accept an overseas assignment.

Therefore, a successful repatriation system needs to be loud and clear if the company really values international experience, just like dropping a stone into a lake, more returned expatriates move ahead quicker in company A make stronger ripples to the shores to encourage and attract more employees wanting to take overseas assignments.

Value international experience greatly.
Conclusion

Building an expatriate system that works is like constructing a building, that is tall, lasts through earthquakes or typhoons, and attractive. Organizational support during the pre-departure period of expatriation is a long process that prepares expatriates for overseas assignments which set the foundation for expatriate success. The continuous support for expatriates during the foreign assignments allows expatriates to adjust and respond to different encounters in different culture environments. Then, a good expatriate career development upon return is where the company can utilize expatriates’ new expertise and make expatriation attractive in the eyes of future expatriates. Consequently, these organizational factors are positively related to the likelihood of expatriate success. Most importantly, when overseas assignments are carefully managed by the organization, the benefits for both expatriates and the organization are likely to be substantial.

In this paper, a current picture of expatriate management practices in company A, and some suggestions based on related research findings are presented as the important factors for expatriate success (Table 8). As company A called themselves, “a career with no boundaries,” the demand for managers and employees who can function effectively and efficiently in the foreign environment will continue to increase. Finally, by implementing the appropriate expatriate success factors during
the three stages of expatriation: pre-departure, during assignment and repatriation, multinational firms can design an effective expatriate system that produces successful and effective expatriates.

Table 8: The Important Factors for Expatriate Success

| I. Pre-Departure | Choose employee wants to relocate to become expatriate |
|                 | Keep policy simple and consistent                      |
|                 | Give expatriate continuous support                     |
|                 | Select the best expatriate                            |
|                 | Give expatriate a realistic orientation               |
|                 | Give expatriate a pre-assignment trip                 |
|                 | Give expatriate a continuous training program         |
| II. During Assignment | Knowledge of local language is a big bonus           |
|                   | Beware expatriate feeling homesick and burn out       |
|                   | Bring expatriate and local staffs closer              |
| III. Repatriation | Value international experience greatly                |
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