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Best Expatriate Assignments Require Much Thought, Even More Planning

International assignments are fast becoming key components of leadership and employee development. Still, the statistics surrounding many companies' expatriate assignment success rates can be dismal.

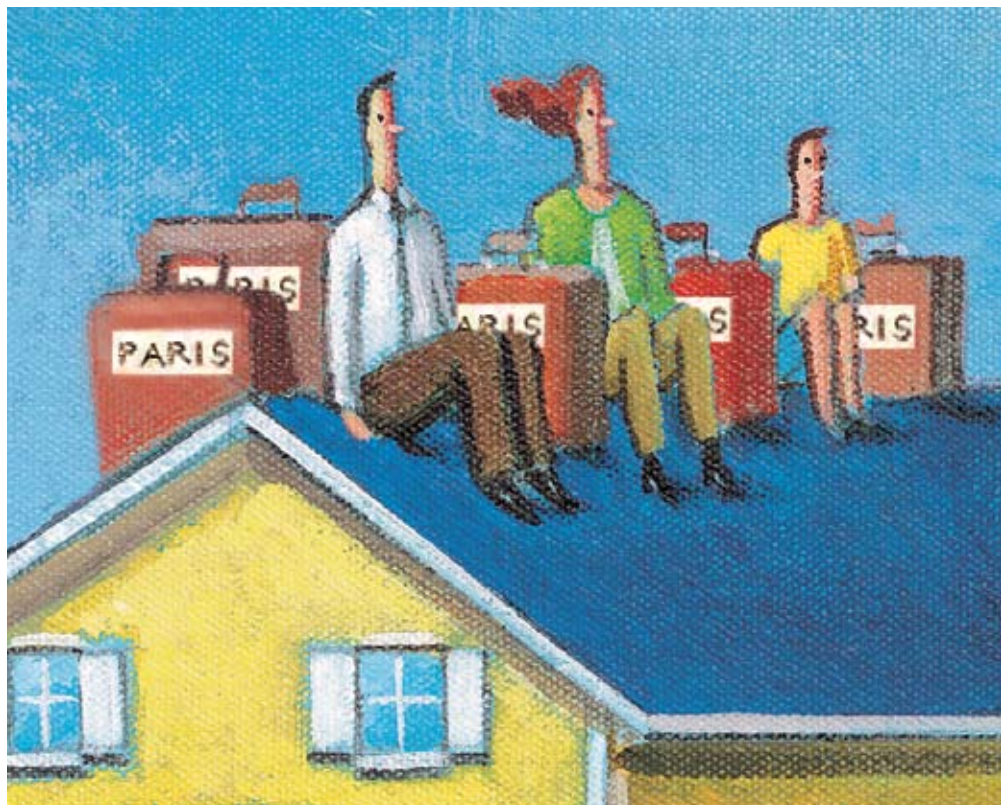
But they don't have to be. The success of every expatriate hinges on, to a large extent, the person's ability to influence individuals, groups and organizations with a different cultural perspective in the host country to achieve the company's goals. Employers can nurture this "global mind-set" in employees by developing certain personal attributes, according to research conducted by the global relocation company Worldwide ERC Foundation for Workforce Mobility and Thunderbird School of Global Management.

"It takes a special blend of characteristics to add up to an outstanding expat who can be productive and accepted in an unfamiliar setting," said Cris Collie,

A 'global mind-set' remains crucial with the labor pool diminishing around the world—and stiff competition for talent.

chief executive officer of Worldwide ERC, in a press release about the research. "The right combination of characteristics—the global mind-set—is more crucial than ever with the labor pool diminishing around the world and competition

for workforce talent at an all-time high. This study provides important insight to companies who wish to hone their selection and assessment processes to ensure a positive return on their investment for global employee assignments."



DATA SNAPSHOTS

31% Proportion of HR professionals reporting an increase in the number of out-of-town job candidates in the last 12 months.

52% Proportion of HR professionals reporting an increase in out-of-town job candidates who accept positions and ask for flexible scheduling so that they can work part of the workweek on-site and part of the workweek from their home bases.

Source: SHRM poll on long commutes, May 2008.

Mainstreaming Expatriation

International assignments are hitting the mainstream as an integral part of the business strategy of today's global businesses. They can represent a significant investment of several hundred thousand dollars per employee. Selecting the right individuals for international postings—those with a higher-than-average likelihood of outstanding performance—will provide a critical competitive advantage for companies that build the competency to identify success potential in their new hires and current employees.

Also compelling is the fact that a failed international assignment can cost a company far more than the original investment, plus the potential loss of key management talent and productivity.

"If we recognize that global mind-set is a mix of individual attributes that support consensus-building among colleagues from different cultures, it is clear that the absence of this trait will make it difficult, if not impossible, for an expat to succeed in the international assignment," wrote Mansour Javidan, professor and director for the Garvin Center for Cultures and Languages of International Management for Thunderbird, in the report *Global Mindset Defined: Expat Success Strategy*.

Traditionally, companies have relied on technical, job-related skills as the main criteria for selecting candi-

dates for overseas assignments, but it is becoming apparent that assessing global mind-set is equally, if not more, important.

Worldwide ERC Foundation-sponsored interviews with senior executives from various industries reveal that in the compressed climate of a short-term assignment, expatriates have little opportunity to learn as they go, so they must be prepared before they arrive. Therefore, it is essential to ensure that the screening process for potential expatriates includes an assessment of their global mind-set.

Building, Banking On Human Capital

The research points to three major global mind-set attributes that successful expatriates possess:

- Intellectual capital, or knowledge, skills, understanding and cognitive complexity.

- Psychological capital, or the ability to function successfully in the host country through internal acceptance of different cultures and a strong desire to learn from new experiences.
- Social capital, or the ability to build trusting relationships with local stakeholders, whether they are employees, supply chain partners or customers.

"Intellectual capital translates into understanding the global business and industry—knowing how competition works in the global industry and what it means to the expatriate's company," Javidan wrote.

With regard to psychological capital, he noted, "openness to cultural diversity—or having a non-judgmental attitude toward those from other cultures—also was rated very highly," as was self-confidence, adaptability and willingness to change.

Successful expatriates generate positive energy and excitement among their local stakeholders, are collaborative and connect with stakeholders on a personal level.

Global mind-set awareness will continue to shape the leadership pipeline of today's business organizations—from hiring profiles to incentive structures. Companies armed with the tools to identify the best candidates for global positions will have a major advantage in this increasingly open workplace, the study concludes. ■

—Theresa Minton-Eversole