Evaluation of expatriates performance and their training on International Assignments

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Abstract
The purpose of this study is to illustrate the importance of expatriates (employees) from Pakistani organizations on foreign assignment by critically analyzing the significance of their strategic roles. Then it reveals that why expatriates fail and effect of cultural distance on them. Finally, what MNE’s and Institutions can do for facilitating their successful adjustment? The significance of Management in the organization is inevitable after the emergence of the new concept of the “Amalgamation”. A detail study was conducted to observe the prevailing Knowledge Management practices and constraints related to it in the selected organization of Pakistan Habib Rafiq Limited (HRL). A case study methodology was adopted for the research purpose. On the basis of the developed conceptual frame work observation was made and interviews were conducted to find out the current knowledge management practices at Habib Rafiq Limited (HRL) Lahore. After data analysis a model was developed for facilitating cross cultural adjustment. It is suggested that if implemented this model can help the organizations and Institutions in improving its current status. This study provided strong evidence to suggest that there should be further research in this field.

Keywords: Adaptation, Assignments, Cross culture analysis, Expatriates, International.

1. Introduction
As a result of an increase in the number and influence of multinational enterprises, since the early 1990s there has been a growing interest in international human resource management, reflecting the growing recognition that the effective management of human resources internationally is an important determinant of success in international business (Shen, 2004). In the international arena, the quality of management seems to be even more critical than in domestic operation (Tung, 1984). The focus of human resource development is on developing the most superior workforce so that the organization and individual employees can achieve their work goals in service to customers (Adiele, 2009). The role of human migration, international trade and speedy movements of capital amalgamation of financial markets has made this world very much globalize. “Globalization also refers to the increasing amalgamation of economies around the world, particularly through trade and financial flows” (Globalization: Threat or opportunity, IMF).
2.0 LITERATURE REVIEW

2.1 Strategic Importance of IHRM

IHRM is more strategic now as compared to before, because the area of HRM has expanded and more connected with organizational strategic need (Schuler, 1992). IHRM can perform a crucial role in getting competitive advantage by reducing cost and by escalating sources of products and services differentiation and attaining competitive advantage through international human resource need that these activities should be managed from a strategic viewpoint (Hall, 1988).

2.2 Expatriation

An expatriate is a highly skilled worker with unique expertise who is sent to work in another unit of the same company located in a foreign country, generally on a temporary basis (Romero, 2002). Lasaree (2003, p313) states two categories of expatriates “PCN (Parent country national) whose national origin is same as that of corporate headquarter and TCN (third country national) Nationals of the country other than MNC’s (Multi National Corporations) home country and the country of subsidiary”. The fast growth of internationalization has insisted globalizing firms to increase expatriate population. In a survey of 2002, 35% of respondents stated that the expatriates’ population is increasing continuously and 37% expected more high growth rate in 2003 (Takeuchi et al., 2005).

2.3 Strategic Role of Expatriates

“Successful implementation of global strategies depends on getting the right people with the right skills, at the right time which typically requires the movement of people across national borders” (Selmer, 1999).

2.3.1 Coordination and Control

Instead of using host country nationals, expatriates are used in overseas units for coordination and control purpose because of their excellent understanding of headquarter rules to implement headquarter control mechanisms and operating procedures as well as because of their greater commitment to corporate goals. (Maurer and Li, 2006)

Due to fast growth of multinational's business, a greater need of coordination and control is a significant challenge toward successful accomplishment of organization’s integration (Downes et al., 2002). Facilitating, well defined coordination and control of subsidiaries is primary strategic role of expatriates in order to attain international integration across MNE’s units (Black et al., 1992). Expatriates play a vital role in controlling subsidiaries where the control of local activities is of highly importance to headquarter e.g. heavily invested subsidiaries, research and development activities, production as compare to sales unit and especially subsidiaries where functional dependency is weak on head quarter resources and where local stack holder are strong (Torbiorn, 1994).

2.3.2 Knowledge transfer and Expatriates

Competitive success based more on management of strategic intellectual capital and less on strategically financial and physical resources and in today's business core competencies are being formulated from firm's learning (Downes and Thomas, 2000). In today's world of globalization, embryonic organizational abilities by integrating and sharing different features of multinational's knowledge is a vital resource of getting competitive advantage since such sharing and combination of intra organizational firms’ specific knowledge is tremendously hard for others to imitate (Grant, 1996). “Knowledge transfer which can be defined as the process through which an organizational unit is affected by the experience of another, has received much attention in the global business” (Gorgoglione et al., 2004). Today expatriates play an extremely strategic important role in knowledge-related functions which include “local staff development and skills transfer from headquarter, developing top talent and future leaders of company, improving the trust of subsidiary, training local employees to improve their individual and team skills, implementing knowledge practice, developing sharing and transferring best practices, developing top talent and future leaders of the company and implementing knowledge practices” (Minbaeva and Michailova, 2004). Tacit knowledge is entrenched in skills and knowledge of firm's employees and cannot be codified or
contained in manuals, and can only be observed through its application, when a company make a decision to transfer tacit knowledge between different subsidiaries it must allocate employee to the overseas operations (Bonanche and Brewster, 2001).

Figure: 1 Knowledge Transfer Diagram.

Source: (Downes and Thomas, 2000)

2.4 Expatriates Failure
In current literature “expatriates failure” defines as inability to adjust in host country environment, low performance at overseas assignment and premature return or coming back to home country prior to completion of their foreign assignment. (Christensen and Harzing, 2004) While expatriates are extremely important for operational and strategic success of organizations, the rate of expatriate's failure on foreign assignment is continuously increasing and it is estimated that 16-70 % expatriates fail in their assignment depending on the host country (Sims and Schraeder, 2004). Only in US, expatriates failure cost MNE’s approximately $2 billion a year (Sims and Schraeder, 2004). The most common and very costly problem facing multinational in doing business in over seas countries is the high level of expatriate's failure and it has been stated that only in United States, 70% of all managers assigned to overseas assignment return before the ending of their appointment period because of their inability to adjust (Maurer and Li, 2006). Romero, (2002) states that it does not mean that expatriate is successful if he/she completes assignment. He states that 50% of expatriates who do not return prematurely gave low level of performance.

2.5 Culture Shock
Culture shock was developed by Kalervo Oberg in 1960. It shows that people will feel puzzled and nervous because of the unusual circumstances and different cultural norms and standards (Neuliep, 2003). When people move to a new country and experience a new culture, they take principles, values and behaviours base on their own culture with them. People may possibly experience culture shock if the new culture in entirely different with their home culture. It is a psychological process in which people feel confused, unhappy, irritable, homesick, harassed and furious (Wild et al., 2000).

2.8 Cross Cultural Training (CCT)
Expatriates training have become crucially important and researchers and HR practitioners recognized that cross cultural training play an extremely important role in facilitating expatriate’s successful CC adjustment (Waxin and Panaccio, 2005). “Cross cultural training also defined as a procedure intends to increase individual’s ability to cope and work in a foreign environment” (Froster, 2000). “Cross-cultural training (CCT) has long been advocated as a means of facilitating effective cross-cultural interactions” (Black and Mendenhall, 1990). Training develops expatriate's learning orientation and helps them to understand the culture of overseas destination (Porter and Tansky, 1999). Even of its importance, many studies show that companies either do not provide or
give very limited cross cultural training to expatriates and families because of time constraints and of its high cost (Froster, 2000).

2.8.1 Pre-departure Training

“Pre-departure training is the first stage and researchers recognized that pre-departure CCT is greatly effective once expatriates have arrived abroad” (Mendenhall, 1999). This initial CCT provides expatriates the essential knowledge that expatriates require instantly after arrival at destination e.g. the expatriates must know cultural imperatives and customs, what are the business etiquettes of that country, how to dress according to that environment, cultural adiaphorous, customs that are necessary and optional to attend for participants, and also good language training (Avril and magnini, 2007). In pre-departure training, expatriates should be told that he/she can face ambiguous situation during the assignment and they should take them as a learning opportunities and if they face situation in which result is not a clear success, expatriates must develop strategy for improvement instead of avoiding the situation (Avril and magnini, 2007).

2.8.2 Pre-departure Visit

Pre-departure visit of the host country is a good way to provide first-hand information about the host country culture and many companies allow expatriates to visit host country before starting assignment (Sims and Schraeder, 2004). The information obtained during pre-departure visit can help in reducing uncertainties attached with the foreign environment and reducing culture shock (Black and Gregersen, 1991). In order to make such visits successful, companies must provide a realistic view of what is the way of spending life in the host environment as it will reduce the level of culture shock he/she will face after joining assignment (Sims and Schraeder, 2004).

2.8.3 Post-Departure Training

“Pre-departure training does not adequately address the specific cultural and unique workforce demands present in a particular assigned country and on-site or pre-departure training is much more effective and important than pre-departure training”. (Vance and Paik, 2002) Many researchers state that pre-departure training is very useful, but training should continue in the host country as well (Suutari and Burch, 2001). A few days pre-departure training cannot fully prepare expatriates for problems they will face during their assignment so it should continue after setting in new country (Suutari and Burch, 2001). Post arrival training is very useful in order to diminish culture shock and the difficulty of cross-culture adjustment (Sims and Schraeder, 2004). This training also involve assistance of basic necessities like dealing with tax issue, schooling of children, opening local bank account and other general counseling of doing the basic things in host location (Mendenhall & Wiley, 1994).

3.0 Training Methods and Types

Training methods, types and length should be selected in accordance with the hardness of the culture of host country (Shen, 2005). Cross culture training can be divided in three methods: Cognitive, behavioral and affective: Cognitive method adopted using conferences and non participative sessions and correspond to the dispersal of information; the behavioral method aims to improve expatriates ability to adopt host country’s communication style and the effective method aim at provoking expatriate reaction “so the subject can learn to deal with critical cultural incidents” (Waxin and Panaccio, 2005). In 1990, Gertsen also classify two kind of training; first is “conventional training” in which information’s are transferred by a single directional communication and second is “experimental training” in which expatriates get training by simulating actual life circumstances. Then she classifies two orientations: either training focus on general culture training or it focus on specific culture and aims at making expatriates more capable in that specific culture (Waxin and Panaccio, 2005).
3.2 Black and Mendenhall's Model (Suggested Model)

Black and Mendenhall's model emerges as a useful technique to combine the methods of expatriate training programs, and to assess their success (Dowling et al., 1994). Black and Mendenhall's base on three aspects of social learning theory—attention, retention, and reproduction, and show how these are influenced by individual differences in expectations and motivation, and the incentives to apply learned behaviors in the foreign location. (Dowling et al, 2008). Further, their model is based on a three-step learning process. In order to adapt a new environment, expatriates have to pass three stages abroad. At first, they become aware of cultural behavior; second, they begin to examine what they have learned, and third, expatriates practice the important behavior. These all may support a good adaptation to the new culture. According to Black and Mendenhall training for the manager is helpful to cope with these three steps of the learning process (Black, et al., 1992). This approach recognizes that effective training is the first step and that the expatriates' enthusiasm and ability to act upon that training in the new environment is important to successful performance. An obvious practical limitation of Black and Mendenhall's model is that insufficient time is a reason why multinationals do not provide pre-departure training. More importantly, monitoring and feedback should be established as important components of individual skill development, particularly as adjustment and performance are the desired outcome of cultural awareness training (Dowling et al, 2008).

Table 1: Cross-Cultural Training Rigor

<table>
<thead>
<tr>
<th>Training Rigor (Duration=4-20 hours)</th>
<th>Training Rigor (Duration=20-60 hours)</th>
<th>Training Rigor (Duration=60-180 hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lecture, Films, Area studies, Books</td>
<td>Methods in previous box, plus:</td>
<td>Methods in previous box, plus:</td>
</tr>
<tr>
<td>Low</td>
<td>Role plays</td>
<td>Sensitivity training</td>
</tr>
<tr>
<td>Moderate</td>
<td>Cases</td>
<td>Simulations</td>
</tr>
<tr>
<td>High</td>
<td>Assimilator</td>
<td>Field trips</td>
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<tr>
<td></td>
<td>Survival-level language</td>
<td>In-depth language</td>
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Black and Mendenhall explain the level of training rigor. It is a scale to which the trainer and the expatriate are involved in the training process. More rigorous training means that expatriates use their passively learned skills. In the field of high-rigor training the expatriates' involvement is extended. Low-rigor training focuses more on the passive participation of the expatriates. Besides the kinds of training approaches, Table (A) shows the most favorable duration of training approaches as well. The period of training also has an impact on the efficiency of training expatriates (Black et al., 1992). Finally, Black and Mendenhall combine the variables culture novelty, interaction with local people, job novelty with training rigor. They analyze that the different degrees of culture novelty,
interaction with host nationals and job novelty need different rigorous Cross-cultural training (Mendenhall et al., 1995). Finally, Black, Gregersen and Mendenhall (1992) state that a manager should be trained according to the function of the post abroad. An inflexible and quick training program will neither benefit the expatriates nor the MNCs.

4.0 Research Objective
The choice of methodology greatly depends on the research purpose and research questions (Saunders, Lewis & Thornhill, 2003). According to Collis & Hussey (2003), “the purpose with research is to state what is to be accomplished by conducting research and how the results of the research can be used”. The research objectives includes the study of the present Knowledge process (traditional) of the selected organization finding problems in cross cultural adjustment and to give suggestion for improving them.

4.1 Research Methodology

4.3 Research Strategy- Case Study
Selecting a suitable research strategy is very important in order to get answer of research question. Saunders et al (2003) states many research strategies which includes “experiment, survey, case study, grounded theory, action research, ethnography, cross sectional, longitudinal, exploratory, descriptive and explanatory studies”. This research utilizes a case study as research strategy and this is done in order to assist me in achieving an increased understanding of the expatriation phenomenon. For this research there are several reasons for choosing a case study. Case study is regarded the most suitable when answering research questions in form of how and why there is no control over behavioral events with a clear focus on contemporary events. (Yin, 1994). Since my intention was to find detailed answers to the research questions, I had to go in-depth. For this reason, a case study might be a suitable research strategy, to gain a rich understanding in my field of investigation. A case study considers much data to evaluate problems and to find solutions (Blohm & Fowler, 2004). Finally, my case study was an explanatory study as well, because I intended to find out relationships among several variables (Saunders et al., 2003).

4.5 Data Collection
4.5.1 Secondary Data
My source of secondary data was mainly articles and journal. For all my literature review, I read many journals and articles. Few of the most recognized scholars in expatriation research are lee, Tung, Medenhall, Black, Downs, Salmer and Waxin. These researchers are only a few samples of many scholars who have conducted research and surveys in this field of investigation. Secondary data normally collected from books, journals, articles, survey reports, news papers, magazines and used to answer the current research question by re analyzing it (Evaluating Socio Economic Development, 2005

4.5.2 Primary Data
In order to carry out research there is need of primary data. There are two kind of primary data Qualitative and Quantitative. “The qualitative data is based on meaning expressed through words, where as quantitative data based on meanings derived from numbers” (Saunders, 2003). In this research only qualitative data has been selected due to the nature of research question.

4.6 Sample Selection
This section provides the reader with the factors that were considered decisive for selecting companies, respondents, and documentation used in this research.

4.6.1 Company Selection
According to Saunders, Lewis and Thornhill (2000) sampling can be carried out by a non-Probability approach. This method was utilized in this research since it allows me to select the case that seems to be best suited to answer the research questions. Due to the fact that expatriation is commonly not occurring among small and medium sized companies in Pakistan. The focus of this study is on MNCs. Moreover, the companies should possess a suitable knowledge and a long experience in the area of expatriation thereby my possibilities for selecting a company was
broadened. Finally, I selected Habib Rafiq Limited (HRL), the company conducts businesses in different industries I thereby able to get a broader view of the studied area.

5.0 Case Study

5.1 Company Background

Habib Rafiq Limited (HRL) was founded in 1969 as an engineering group. The ever increasing efforts towards attaining better and new business ventures have exposed the company to multitude of engineering disciplines. Now it is company’s prerogative to be working in infrastructure, housing, design, and environmental areas other than its strong standing in industrial projects for power, chemicals, petro-chemicals, roads, motorways, and buildings. Currently HRL offers a broad variety of construction-related services and project development. Its mission is to develop, build and maintain the physical environment for living, travelling and working. By 2008 HRL annual turnover amounted to 80 million US $ in Pakistan while the annual turn over in international projects is around 300 million US $. The growth in Pakistan has been followed by expansion internationally. In the mid-eighties the company made a significant move on the international market. Its technical competence and its ability to adjust in foreign environments was a key to the success. These skills were widely utilized when HRL moved into markets of the Middle East in the late eighties and Europe in the mid-nineties. As a result of its ability to adjust in foreign markets HRL is often considered as a local company by the locals. The motive for expanding internationally has for a number of years been to guarantee a stable growth by spreading the risks. The international division strives toward a yearly turnover of 200–300 million US $ by having approximately six projects on a yearly basis.

Mr. Khan the interviewee for this research has long experience with the HRL International division. Mr. Khan started his career at HRL in the early seventies where he gradually advanced to become a logistics manager at the international division. He held that position until the mid-nineties when he became HR manager for HRL International. Furthermore, he possesses a large amount of knowledge in the area of expatriation as he has worked eleven years on foreign assignments. According to Mr. Khan Expatriates adjustment problems related to the general living environment typically include issues concerning housing, food, shopping, banking, entertainment, legal regulation and health care. Habib Rafiq Limited (HRL) research on expatriation has focused primarily on financial losses when expatriates return prematurely from foreign assignments or resign from organizations shortly after returning to the home country. Expatriates require on going assistance in the form of in-post support, little attention has been given to the form this support should take. Factors which are considered include regular up dates from the home country organization, information about performance expectations, medical and psychological assistance. More ever the importance of on going support to spouse and family has also been cited. In-post support is a necessity for individuals to adapt on a social level and to assist them in being culturally sensitive in social and business setting, and hence ensuring that expatriate failure is much less likely to occur. According to Mr. Khan Lack of in-post support is a major problem area for Pakistani expatriates in western countries and this, along with selection, is very much in need of the development of a best practice model for HR departments. Family training is equally important to expatriates training. Family problem put a negative impact on expatriate’s performance. According to Mr. Khan the most common problem facing Pakistani multinational in doing business in overseas countries especially in western countries is high level of expatriate’s failure and their main reasons include expatriate or their family’s inability to adjust to the culture of new environment. There are large differences between the Western cultures and the Pakistani culture, which can be assessed by many ways. Mr. Khan highlights many points why Pakistani expatriates and their families are failed to adjust in foreign countries. According to Mr. Khan expatriate failure is greater in nations where the gap between the home and host culture is wide. In Pakistan extended family is the basis of the social structure. It includes the nuclear family, immediate relatives, distant relatives, tribe members, friends and neighbors. Loyalty of the family comes before other social relationships even business. Favoritism is viewed positively since it guarantees hiring people who can be trusted which is crucial in a country where working with people one knows and trust is of primary importance. In Pakistan, the family is more private than in many other cultures. Pakistan is a hierarchical society. People are respected because of their age and
position. Older people are wise and are paid respect. In a social situation they are served first. Pakistani expects the most senior persons by age or position to make decisions that are in the best interest of the group. While on the other in western countries the social system is totally different. According to Mr. Khan Expatriates who are sent to western countries by their company will inevitably face psychological stresses that occur when people adapt to a living and working environment in a new culture. Pakistani society is a ‘group society’, where everyone belongs to a certain group, may it be family, extended family, or extended relationships. You take care and responsibility for other members of the group, as they will do for you. Also, this can be reflected by the Communist Party’s high emphasis on a collectivist society. According to Mr. Khan the Netherlands’ score on Individualism is the fourth highest worldwide Individualism ranking together with Canada, behind the U.S. Australia and U.K. The Dutch are more individualistic and self-reliant, where they watch over themselves and their close family members. They think privacy is very important and respecting oneself and other people’s opinions is key in the Dutch culture. In the West, work and private life are separated. However, in Pakistan relationships are much more important than transactions and work and social life are intertwined. The Pakistani rather falls back on friendship and trust than on formal contracts. According to Mr. Khan western and Asian culture is opposite to each other. Pakistan is based on a collectivist society where as western countries are based on individualistic society. That’s why expatriates from Pakistan face many problems in western countries. Proper pre and post preparation of expatriates is especially important for those who will be sent to countries where the cultural distance of the home and host country is quite significant. Expatriates should be preparing themselves for a culture shock and try to look for methods to overcome this. Companies can aid them by providing the necessary support, but the process will take time. Expatriates should keep in mind that ‘patience is the essence of successful management in western countries. In these cases, the solid cross-cultural training is essential, where the accent lies on the cultural differences they will encounter.

5.2 Habib Rafiq Limited IHR policies for overseas assignment
The objectives of HRL IHR policies is to send expatriates to managerial positions in overseas assignment for the purpose of coordination, control, management development and to teach the know-how to local talent. The international operation by HRL are run and coordinated by subsidiary managers of seven different units; production, contracts, technical, logistics, plant, finance and personnel. These positions are always filled by expatriates from Pakistan. The reason to send managers abroad as expatriates can be connected to the development of organizations. Seniors, that is people who have been working for HRL for a long time, are often sent abroad with their long experience and great knowledge of HRL. They have the knowledge of processes, networks, and history of HRL and are sent to places where this information is needed. In case of new establishments or disorganized established operations, this knowledge is often needed and the seniors can support by transferring it to specific sector or markets

5.3 Company problem discussion
HRL is a multidivisional company that relates to the highly competitive construction and engineering industry. The company headquarter is in Pakistan and it has six different businesses in six different countries. Currently company is working on four different types of projects in Pakistan. Internationally, company is working on Power energy and construction projects in Saudi Arabia, south Asia, Africa, Malaysia, and UAE. In past, company had finished many projects with FLS- Air Tech Group, Denmark in different countries around the world. Therefore, Companies possess a suitable knowledge and a long experience in the area of expatriation.HRL spend reasonable amount of money on expatriates training. But company is still facing higher expatriates failure in their overseas assignments for example HRL faced higher failure of expatriate in their chemical projects with FLS-Airtech Denmark. The expatriates turn over is high and company also suffered from huge loss in period 2002-2008. Below graphs is showing that even with the increment of expatriates quality program budget, the company unable to reduce expatriates turnover, and their problem is still going on.
Above graph shows clearly that even increasing the budget in quality training program for expatriates, there is no positive effect on expatriate’s turnover. In year 2007 cost of quality programs was increased to 300,000 US $ than in year 2008 it was further increased to 320,000 US $ but there is no reduction in expatriate’s turnover. This show that company training is not effective on expatriates for facilitating their adjustment. Let’s see what the HRL policies for facilitating expatriates adjustment are.

5.4 Facilitating Expatriates adjustment: what Habib Rafiq Limited (HRL) is doing.

5.4.1 Pre-Departure Training

HRL puts lot of emphasis on pre-departure training before expatriates leave for a foreign assignment. Precise and direct guidelines are provided about the role of job and culture of host country. The aim of pre-departure training is to make them understand the cultural difference between the host and home country, customs of host country, language, business culture, interpersonal communication as well as to enhance the capabilities of expatriates so that they can work comfortably with host nationals. The length of the training is one month. Pre departure training also includes information about the cultural imperatives and customs in which he should participate or not. The training provides basic details about economy, politics, religion and social atmosphere. Company put emphasis on expatriate’s managers to be aware of the fact that employees from different countries perceive managers differently. In pre-departure training, HRL paid serious attention in giving expatriates a clear picture of their assignment in order to facilitate them successfully in their tasks. The training is of general conventional type, based on culture awareness model and provided through lectures and reading. This training is compulsory and similar for every expatriate regardless the fact that in which country and for how long expatriate is going on overseas assignments.

5.4.2 During Assignment Support

HRL provides the expatriates with the necessary support during the assignment but they do not receive any kind of training in the host country. However, a 2 days orientation is given to every expatriate after arrival. This orientation involve assistance of basic necessities like dealing with tax issue, schooling of children, setting up a local bank account and other general counselling of doing the basic things in host country. During the assignment, a mentor from home office is provided to expatriate who advise him on different issues related to work. During the assignment, company always keeps in touch with the expatriates in order to make him avoid having feeling of aloneness. Regular emails, company magazine, letters, memos and corporate news always send in timely fashion. Also, company asks from expatriates for advice on problems and future discussion which make them feel their importance for company and as well as increase their loyalty for head office.

5.4.3 Family Training

HRL puts a lot of emphasis on facilitating adjustment for the expatriate and his/her family. The company is aware of the fact that in order for an expatriate to be successful in new environment support to the family is a highly important factor. Before the actual assignment the family receives through training in culture awareness. This training also provides the family with opportunities to obtain information about difficulties and other factors influencing the process of moving abroad. This training is part of pre departure training and provides to every expatriates’ family.
6.0 Finding form Analysis

The first purpose of this research is to critically analyze the strategic role of expatriates. It can be clearly concluded from this study that home country managers cannot be alternative of expatriate’s managers and expatriation will remain a strategic method of achieving competitive advantage. As globalization continues to increase the number and geographical scope of international businesses and organizations, expatriation will remain a prominent issue. It is well understood that the expatriates are consider to be best option rather than using home country managers because of their excellent understanding of head quarter rules to implement head quarter control mechanisms and operating procedures as well as because of their greater commitment to corporate goals.

Literature illustrated the importance of expatriation, in the international business, not only to fill positions but also as a means of developing the organization through knowledge transfer, coordination and control, and developing global managers. Expatriates develop their on tacit knowledge as well as enhanced their vision on understanding global business. They bring back this valuable tacit knowledge upon repatriation which enhanced company performance on global level. Today’s competition in business demand more management of strategic intellectual capital and knowledge transfer. Expatriates play crucial role in knowledge related functions. Literature illustrated that competitive advantage cannot be achieved with out global leaders and managers. Expatriates become global managers and leaders due to their valuable international experience. Expatriates assignments are consider being an excellent toll for developing these global skills.

The second purpose of this research is to analyze that why expatriates fail in their assignment. Expatriate’s failure cost is very high in terms of direct as well as indirect cost. We can illustrate from this study that inability to adjust of expatriates and their families in host culture due to cultural distance is the strongest cause of expatriates'failure. We analyzed critically that how cultural distance effect expatriates and their families Culture distance has negative effect on all three dimension of adjustment; work, interaction and general. Cultural distance stop expatriates to interact with host employees as well as it is cause of culture shock, psychological and disloyalty problem. It’s also effect expatriates spouse and family. Many US studies show that spouse inability to adjust is also strongest cause of expatriate’s family and reason behind inability of expatriate’s family is also a culture distance. It is well understood in this study that cross cultural adjustment is the most significant factor in expatriate success.

The third purpose of this study is that how can we facilitate expatriates cross cultural adjustment. Most of literature states that cross cultural training is most significant tool to facilitate adjustment of expatriates and their families. We can conclude from our study that CCT has strong positive effect on expatriate general, work and interaction adjustment. But it is not effective if it is not provided in accordance with the host country’s culture. Our analysis shows that simple general cultural awareness pre-departure training is not effective at all if expatriate going in a high cultural distance country. It is very important that length, intensity, kind and method of pre-departure training should be designed according to characteristics of host country culture as well as experienced of former expatriates must be utilized in training.

I can also conclude from my literature review that experimental trainings are more effective than conventional kinds of training. Phatak’s Area Simulation Model can be used for this kind of training. This study also illustrate that post-departure training is extremely important and can be more effective than pre departure training. It must include career guidance, psycho-social support and task related support and such mentoring is highly related to expatriates socialization in host country environment. Also, host country employee should also be involved in this training which can increase socialization between expatriates and host national. Language training must be included in both pre and post departure training. In literature review, We saw that how cultural difference affect on expatriate’s family and spouse which is a big cause of expatriate failure. I can conclude from this study that spouse and family training is equally important to expatriate training and they must be included in every pre-departure and post departure training. Their failure is expatriates failure. Also, spouse should be given proper assistance in resuming her career in host country.
Like many other MNE’s Habib Rafiq Limited (HRL) send expatriates in foreign assignment to achieve many strategic goals and company intends to continue this policy in future. But company is facing expatriates failure. Even company provides culture awareness pre- departure training to expatriates as well as to their families. HRL also provide support and assistance on different issues during assignment. But HRL CCT and during assignment support is not that effective in facilitating expatriate adjustment. I have seen in literature review and analysis that many researchers and HR practitioners say that there are many reasons by which pre-departure and other trainings is not effective at all. I can conclude from my analysis that the HRL can reduce the expatriates failure and high turnover: They should provide Pre- departure training in accordance with the host culture requirements. They should utilizing the experienced of former expatriates during pre-departure training. They should provide the facility of arranging pre-departure visit. Training methods and types should be effective for many diverse cultural countries like Denmark. They should use the different Use conventional training methods for every expatriate without taking in consideration the factors like length, location, kind of assignment and cultural difference between home and host country. They should provide the availability of post arrival or on-site training to expatriates and their families. They should provide assistance for expatriate’s spouse career.
References


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