



PennState

Center for International Human Resource Studies



CIHRS Research Paper Series

Also see additional works at: <http://ler.la.psu.edu/cihrs/series/research-paper-series>.

Series #: 1-2016

What Can U.S. Companies Do to Get the Most Out of Their Expats in Hardship Locations?

Loredana Abreu

The Pennsylvania State University

Thank you for downloading this research paper from the Center for International Human Resource Studies (CIHRS: <http://ler.la.psu.edu/cihrs>). All papers here have been reviewed by a faculty member of CIHRS, and are made available to you free-of-charge. For more information, please contact cihrs@psu.edu.

Suggested citation: Abreu, L. (2016). What Can U.S. Companies Do to Get the Most Out of Their Expats in Hardship Locations?. Research Paper 1-2016, Center for International Human Resource Studies. Downloaded from <http://ler.la.psu.edu/cihrs/series/research-paper-series>.



This paper is available for download at: <http://ler.la.psu.edu/cihrs/series/research-paper-series>.

What Can U.S. Companies Do to Get the Most Out of Their Expats in Hardship Locations?

Loredana Abreu
The Pennsylvania State University
2016

Abstract

Despite the advantages that expatriates can bring to multinational companies, these employees can come at very high cost. In this paper, I will dive into the most common mistakes companies make when creating expatriate assignments, from the selection of the expatriate to the repatriation. Based on literature on adaption theories, cultural research, and personality studies, I will explain what some key steps are that companies should follow to ensure a successful expatriate assignment. Even though companies offer premiums to incentivize employees to accept these challenging assignments, cultural differences, poor living conditions, and dissimilar social norms that affect the adjustment of spouses and families still play a significant role on the expatriate's satisfaction and ultimately the assignment's success rate. To go in depth on each of these problems, I focus on three major emerging economies: China, India, and Brazil.

Keywords: *expatriates, success rate, emerging economies*



Introduction

We live in a globalized world where any multinational enterprise (MNE) that wants to thrive in the market and have a competitive advantage needs a mobile workforce. Companies need top performing talent who is willing to take international assignments that will allow the company to better perform in different countries and penetrate different markets all over the world.

Despite the advantages that expatriates can bring to the companies, these employees come at very high cost. In this paper I will explain what an expatriate is, how much it costs to the companies and why companies do it. Later I will dive into the most common mistakes companies make when creating expatriate assignments, from the selection of the expatriate to the repatriation. Based on literature on adaption theories, cultural research, and personality studies, I will explain what some key steps are that companies should follow to ensure a successful expatriate assignment.

Despite the importance of following every single step to have a profitable return on investment when creating international assignments, 20% of American expatriates terminate their assignments before time because of difficulty adjusting or dissatisfaction (Black & Gregersen, 1999). This becomes an increasingly common and serious problem when the international assignment is in a hardship location. Even though companies offer premiums to incentivize employees to accept these challenging assignments, cultural differences, poor living conditions, and dissimilar social norms that affect the adjustment of spouses and families still play a significant role on the expatriate's satisfaction and ultimately the assignment's success rate.

To go in depth on each of these problems, I focus on three major emerging economies: China, India, and Brazil. China is considered one of the hardest locations for expatriates to live in due to cultural dissimilarity. In India, I focus on the issue of spouses, who play a very important role on expatriate's happiness, yet find it very hard to adjust to life there. Finally, the crime and violence that reigns Brazil's favelas and all the diseases that come with the tropical weather also make this country a hardship location.

What is an expatriate? How much does it cost? Why do companies do it?

"In today's global economy having a workforce that is fluent in the ways of the world isn't a luxury, it's a competitive necessity" (Black & Gregersen, 1999, p.53). An expatriate, in the case of U.S. companies, is a U.S. citizen who works for a Multinational Enterprise in a foreign country (Hodgetts & Luthans, 1993). More than a decade ago, around 80% of U.S. companies sent professionals abroad (Black & Gregersen, 1999); today, "88% of respondents to the 2015 Global Mobility Trends Survey expect their international assignment population to either increase or stay the same this year" (Brookfield Global Relocation Services, 2015). International assignments have been relevant for a while, but most importantly their significance has increased overtime, and data suggest this is a trend that has come to stay.

Despite the fact that it is a necessity for MNEs, expatriation is expensive. "Expatriate compensation costs, in many cases, are three to four times the cost of locally based managers" (Hodgetts & Luthans, 1993, p.58). A typical expatriate compensation package includes: the base salary, benefits, allowances and tax equalization. The base salary is the regular salary the employee would be receiving in the home country: "Regularly, one-third of compensation for regular employees is benefits" (Hodgetts & Luthans, 1993, p.58). For expatriates the portion is similar or a little larger, and usually U.S.-based MNEs include their expatriates in their home office benefits programs. They usually have extra vacations, and the company may offer to pay the airfare for them and their families (Roger, 2012). The most expensive part of an expatriate compensation package can be the allowances. One of the most common is the cost-of-living allowance, which "is designed to provide the expatriate with the same standard of living that he/she enjoyed in the home country" (Hodgetts & Luthans, 1993, p.59). This usually covers relocation



expenses, housing allowances, education allowances, and hardship allowance. Finally, part of this compensation package is tax equalization. Since expatriates are registered in two countries, they may get two tax bills. Usually, “any taxes that exceed what would have been imposed in the home country are paid by the MNE and any windfall may be kept by the expatriate as a reward for taking the assignment” (Hodgetts & Luthans, 1993, p.59). According to Black & Gergersen (1999), a complete expatriate package, including benefits and cost-of-living adjustments (COLA) could cost up to \$1 million annually.

If this process is so expensive, one might wonder why are companies doing it? When done the right way, companies receive enormous returns that pay off on this investment. This is because in today’s global economy there are new regional market opportunities, emerging economies, and the rise of international protectionism. In general, overseas investments are an opportunity for profit maximization and building competitive advantage. Overseas investments are so relevant because the majority of the profits of major MNEs come from foreign sales (Hodgetts & Luthans, 1993). The advantage international assignments bring to MNEs is the possession of first-hand knowledge of specific market and customers and the understanding of the culture. This gives MNEs the opportunity to expand international business (Lazarova & Caligiuri, 2001).

When MNEs are entering a new market their preference can be that one of its known employees, generally a top-performer, be on-site, and this is one of the reasons companies decide to have expatriates: “MNEs typically consider their own people more trustworthy and more likely to respond to home office directives than are local managers” (Hodgetts & Luthans, 1993, p.58).

According to Collings, Scullion, & Morley (2007), there are three main reasons why companies decide to use expatriates: as position fillers, if there is a shortage of skills from host country nationals (HCNs); for management development, this will help an employee [the expatriate] develop further and be more qualified for a higher position; and finally for organizational development reasons, as this increases knowledge transfer within the MNC, allows more governance over the host country, enhances the development of skills for the locals, and increases the company culture transfer. International assignments do not have to satisfy just one of these needs, companies might want to send an expatriate because of all of these reasons, or a combination of two.

The latter reason, organizational development, is related to coordination and control between the host country nationals and the parent country nationals, and there are different forms in which this can be done, and different denominations for the expatriates who do so: bears, bumble-bees, and spiders (Harzing, 2001). Bears are in charge of the centralization of decision-making, so in general there is great dominance and surveillance from the side of the HQs. Then, bumblebees and spiders create informal communication networks, and exercise control in the form of socialization. Bumblebees were essential in the initial stages of the subsidiary company, where the expatriate goes [flies] from the host country to the parent country to create the networks; the spiders are in charge of keeping and reinforcing these networks by weaving informal communication networks. It is important to understand the scope of the job of an expatriate to justify the amount of money and time MNEs need to invest in their expatriates to have successful assignments.

For multinational companies to achieve their objectives and make this high investment worth its cost, the expatriate needs to challenge cultural stereotypes and learn and adapt to different cultures and markets (Black & Gregersen, 1999). However, the reality is that the majority of companies are getting a small return of investment on this process: “Between 10% and 20% of all U.S. managers sent abroad returned early because of job dissatisfaction or difficulties in adjusting to a foreign country. Of those who stay for the duration, nearly one-third did not perform up to the expectation of their superiors. And perhaps most problematic, one-fourth of those who complete the assignment left their company, often to join a competitor, within one year after repatriation. That’s a turnover rate double that of managers who did not go abroad” (Black & Gregersen, 1999, p.53).



As stated above, the need to have a global competitive advantage comes at a very high cost, and for the company to get as much out of this investment as possible, they need to make sure they are managing this process the right way. The expatriate process is more complex than simply sending one of the top performers abroad. On a legal level it involves global taxes, different laws, and different types of governmental regimes. On a personal level, it involves psychological contracts, cultural adaptation, and on top of this all the company not only needs to manage relationships with the expatriate, but also with his/her family (Black & Gregersen, 1999). On a managerial level, it involves how to manage people from a different culture and how business works on societies with different cultural dimensions. In general, the companies' biggest mistake can be to assume that business is the same everywhere, when actually, countries' [cultural] differences go beyond the language, food, and typical traditions.

Why are so many companies doing it wrong?

Technically, it is considered expatriate failure when there is a premature return, but as Lee (2007, p.404) said in his study "defining expatriate failure within the limits of premature return, is far too simplistic and misleading." For this reason, for the purposes of this paper, when talking about expatriate failure I will be also referring to cases when the goals for the assignment are not achieved or even worse, when the employee is lost to a competitor upon repatriation: "The loss of an internationally proficient employee often indirectly translates into providing advantage to direct competitors, as repatriates are likely to find jobs with competitors" (Lazarova & Caligiuri, 2001, p.390).

Given this adapted definition of expatriate failure, from the previous discussion we determined that failure is a reality that many companies are facing, yet the question of what exactly went wrong in these cases remains unanswered. As Lee (2007, p.405) notes: "Research on expatriate failure has traditionally focused on three general areas, (1) the selection of the most 'appropriate' expatriate; (2) poorly developed or the complete absence of cross-cultural training programs; and (3) spouse and family issues".

The most 'appropriate' expatriate

Many times when companies select a candidate for an international assignment they focus on the technical skills, when actually these are less important than the relational abilities of the candidates. Expatriates need to be culturally literate people that can easily adapt and work with a diverse workforce. Soft skills are as important as the technical skills. Bhatti, Kaur, & Battour (2013) show in their research that The Big Five, self-efficacy, previous international experience, cultural sensitivity and social network are linked to better job performance for expatriates: "Managers should consider the individual factors during expatriate's selection process because these individual factors help expatriates to adjust in the host country" (Bhatti et al., 2013, p.545). According to Caligiuri (2000), and consistent with personality theory, which is related to the Big Five, there are two types of individual characteristics that have a strong correlation with expatriate success. One is the individual's ability to establish a relationship with others, which is called sociability; and the other is the person's willingness to communicate with host nationals, which is known as openness.

An important piece from the research of Bhatti, Kur, & Battour (2013) that stands out related to the selection of expatriates and their soft skills, is cultural sensitivity. "Intercultural sensitive people are able to reach the level of dual identity and enjoy the differences and attempting to defend their own world views, and moving to emphatic ability to accept and adapt cultural difference" (Chen & Starosta, 2000, p.4). This characteristic allows them to adjust to the host country faster and get along with host county national, which allows expatriates to receive support at the workplace and ultimately improve performance (Bhatti et al., 2013).



Finally, another important individual trait expatriate selection should take into account is previous international experience: “Expatriates with previous international experience might adjust in the host country and perform better as compared to others with a lack of previous international experience” (Bhatti et al., 2013, p.552). This is because they learned from mistakes they have made in those previous experiences and also acquired traits and skills that help them adjust and handle cultural shocks faster.

Lack of cross-cultural training

Even though executives know that negotiation tactics and marketing strategies vary from culture to culture, they believe that the differences are not so big and that they can avoid spending on extensive cultural training (Black & Gregersen, 1999). However, research proves this is not a cost companies should spare. Cross-cultural training improves expatriate performance enhancing adjustability and cross-cultural adjustment, which we established leads to improved performance. Cross-cultural training also enriches self-maintenance skills, interpersonal skills, and cognitive skills, which are positively related to the creation of relationships with host country nationals. Even if research supports a correlation between cross-cultural training and expatriate performance, there are several moderators that affect the effectiveness of training, such as: timing, individual and organizational attributes, cultural toughness and training rigor (Littrell, 2006).

There are conflicting theories regarding the timing of the training and how it affects its effectiveness. Researchers in favor of pre- departure training claim that if the expatriates receives this, he/she is more like to have realistic expectations and establish realistic pre-departure goals, which will reduce at its highest extent discouragement or anxiety when the expatriate arrives at the host country (Caligiuri, Phillips, Lazarova, Tarique, & Burgi, 2001). On the other hand, researchers who favor post-arrival training claim that it is better because “assignees have ‘real time’ issues and experiences to bring to the training, and their readiness is often at its peak because they are already immersed in the cultural and transitional challenges” (Bennett, Aston, & Coiquhoun, 2000, p.244). Based on both sides, it is fair to say that the ideal would be that companies provided a combination of pre-departure and post-arrival training for their expatriates.

Regarding individual and organizational attributes, cultural toughness and training rigor, the research is more straightforward. For individual and organizational attributes the more difficult and ambiguous the job tasks, the more rigorous the cross-cultural training needs to be in order to be effective (Littrell, 2006). The same happens when organizational culture is drastically different in the host country than in the parent country. Finally, if the expatriate is being sent to a location that is culturally more challenging and more diverse, the training needs to be more extensive to be successful (Littrell, 2006).

Spouse and family issues

If it is hard for the expatriate to relocate and adapt to a new culture, this can be even more so for his/her spouse and family. Children will have to learn to adapt to a new school and a new environment. The same goes for the spouse, who most of the time is unable or not allowed to find employment. Many companies focus just on the employee and forget about the family, when this is a factor that can ultimately cost the company millions of dollars. Also, many companies forget about their expatriates and their families once they are sent out, thinking that the high salaries and other luxuries will suffice (Black & Gregersen, 1999).

A married expatriate with a family, needs to be treated differently than a single expatriate: “If the spouse is not progressing towards successful acculturation themselves, they will be ineffective in both assisting with other family members’ adjustment as well acting as a positive influence for the employee”



(Teague, 2015, pp139-140). If the spouse is not assisting, this will have negative consequences for the expatriate's adjustment and therefore for the company's goals as well.

With the rise of dual-career couples, the challenge is even bigger: "67 per cent of respondents felt that their spouses' reluctance to give up their own career was a major constraint on their international relocation" (Mäkelä, Känsälä, & Suutari, 2011, p.188). Even if the spouse manages to find a career in the host country, the increased difficulty and challenges of an expatriate assignment will force the expatriate to spend less time at home, and this will lead for a bigger need for the spouse to be at home (Mäkelä et al., 2011).

This problem is not only affecting expatriate failure rates but also the size of the pool of qualified and willing candidates for international assignments: "Sixty-nine percent (69%) of [2015 Global Mobility Trends Survey] respondents indicated that they expect spouse/partner career concerns to have even greater impact on their company's ability to attract candidates of choice in the future" (Brookfield, 2015).

Other causes of failure

The causes of failure go beyond those three main reasons. If in this paper we are considering failure as involving a high turnover rate of returning expatriates, taking into account what the companies do wrong after the duration of the international assignment also matters. Once the assignment is complete and the expatriate comes back, companies underestimate the need for help to readjust (Black, 1992), and for this reason many international workers leave the company one or two years after their return (Sánchez Vidal, Sanz Valle, & Barba Aragón, 2008).

"Expatriates believe that a successful overseas assignment is an achievement that deserves recognition" (Black & Gregersen, 1999, p.60). For this reason, when they come back they expect a promotion, or the opportunity to put in practice their newly acquired skills. When this does not happen, when employees do not have a clear career path or feel that their new role is less significant or challenging, they become disappointed and end up leaving the company.

An uncertain career path is not the only challenge an expatriate might face upon his/her return. Changes in management or culture make repatriation a harder process that may make the employee feel uncomfortable and lost.

To avoid this, it is important that the repatriation process is taken seriously. The more transparent the better, having clear conversations with the employee regarding career goals and expectations upon return should take place months before the international assignment comes to an end (Black & Gregersen, 1999; Lazarova & Caligiuri, 2001).

Some companies do pay attention to all these details, and assign HR managers to take care of this, yet even though this sounds like the logical thing to do, "only 11% of HR managers have ever worked abroad themselves" (Black & Gregersen, 1999 p.54). This means that they can know the theory of what an international assignment is, but they have never experienced the challenges personally. Even though the administrative part is very important for international assignments, there is more to it than that.

"The estimated cost for poor international staffing decisions had escalated to between \$200,000 and \$1.2 million" (Lee, 2007, p.405). It is therefore imperative that companies tackle selection, training and HR support problems that lead to expatriate failure, and invest in overcoming the challenges listed above.

These challenges increase when the international assignment is to a hardship location, and due to globalization and the economic incentive for MNEs to penetrate emerging economies, this is a reality many companies are facing. Countries considered emerging economies are often also associated with being hardship locations. Despite the fact that the stakes of sending valuable employees to these



locations are higher, emerging economies offer MNEs the opportunity to enter booming markets where labor costs are lower and financial capital and consumer power is growing.

What is a hardship location?

A hardship location is a country considered hazardous or with a poor quality of life. Also, a location may be defined as ‘hardship’ when it is culturally very different for the expatriate. According to the Society of Human Resource Management (SHRM), these locations deserve special consideration because of distance from home, cultural dissimilarity or personal safety (Maurer, 2013).

The criteria ‘distance from home’ refers to the notion that the larger the distance between the host country and the headquarters, the more it will take for an expatriate to go back home. Under this criterion also falls the factor of external isolation, which refers to difficulty in traveling. Such locations may lack international flight connections, and for these reasons they may fall into the hardship category (Maurer, 2013).

The other factor that makes a location labeled as hardship is how hazardous it is and the quality of life it will provide. There are several characteristics that can contribute to this criteria: ECA Global Perspectives states in its Location Ratings white paper (2012) that climate, natural hazards, air pollution, recreation, health, personal security, internal isolation (related to transportation availability and mobile or internet connection quality), socio-political tensions, news and media, expatriate community, housing and utilities, and goods and services are all factors that will affect the quality of life the expatriate and his/her family will have. Security is an issue that stands out in these locations when thinking about quality of life; a recent article posted by SHRM (2013) stated: “Expatriates may be specifically targeted because of their perceived wealth. In certain Latin American countries, for example, it’s not uncommon for those working overseas to be kidnapped and forced to withdraw money from ATMs”.

Finally, cultural dissimilarity is an extra burden expatriates have to face at hardship locations. Every expatriate needs to go through an adaptation process to adjust to the culture different from his/her own; this process is known as acculturation (Tung, 1998). According to the cultural novelty theory, the more different the culture, the harder it is for a person to go through this acculturation process (Selmer, 2006a). Regardless of the expatriate and his/her personal characteristics acculturation is always a challenging process that can be graphically described with a U-curve (Black & Mendenhall, 1991). The process starts off well, this stage is called the “honeymoon stage”; this is followed by frustration and “cultural shock”; and finally leads to adjustment, resulting in the “mastery stage”. For countries that are very different culturally, the “cultural shock” and the adjustment stages last longer, and therefore it takes more time or more support to reach the “mastery stage”. This is also supported by the social learning theory, which is based on the idea that people pay more attention to models that are more familiar, therefore it is easier to retain this information, and finally master and use the information gained (Bandura, 1977).

Provision of special considerations

For these reasons, when the company assigns an international transfer to a hardship location to an employee, the company must make special considerations, and provides the employee with a hardship premium, and perhaps even more extensive preparation for the expatriate and the family (Selmer, 2006a).

As stated above, one of the most common allowances offered in the expatriate compensation package is the cost-of-living allowance, which may include hardship allowances. Hardship allowances are designed to encourage expatriates to work in hardship locations. These are also referred as hardship premiums and can be given in the form of lump sum or percentage of the expatriate’s base



compensation. Lump sums usually range from \$10,000 to \$25,000 and the percentages range from 15% to 50% (Hodgetts & Luthans, 1993).

According to Mercer's Cost of Living Survey (2013), cities in Asia are among the top ten costliest locations for expatriates in the world, and in the Americas, cities in South America are among the most expensive: "Recent world events, including economic and political upheavals, which resulted in currency fluctuations, cost inflation for goods and services, and volatility in accommodation prices have impacted these cities making them expensive," said Barb Marder, Senior Partner and Mercer's Global Mobility Practice Leader.

As stated above, emerging economies are often considered hardship locations. Agreeing with this statement, respondents from the 2015 Global Mobility Trends Survey said that the most challenging locations for expatriates and managers are Brazil, India, and China (Brookfield Global Relocation Services, 2015).

Problems with specific hardship locations

China

China is an emerging economy, with one of the fastest growing GDPs of the world, where there are many opportunities of growth for business, and its large population with a rising economy is an appealing target for many organizations. Being part of the World Trade Organization has made this location even more important for Western companies to penetrate, and for these reasons it is a popular destination for many expatriates (Barth, Tatom & Yago, 2009). However, due to the large differences between the Western and Eastern culture, China is considered a hardship location for Western expatriates (Selmer, 2006a).

As stated above, cultural dissimilarity is one of the characteristics of a country that makes it a hardship location. Cultural Novelty theory and Social Learning theory both support the idea that the more different a culture is the harder it is for a person to adjust to it (Bandura, 1977; Selmer 2006a).

Black, Mendenhall, and Oddou (1991) were analyzed the impact of having significant changes in the non-work environment and how this can affect performance: "Moving from the United States to a foreign country often involved changes in the job the individual performs and the corporate culture in which responsibilities are executed; it can also involve dealing with unfamiliar norms related to the general culture, business practices, living conditions, weather, food, healthcare, daily customs and political systems – plus facing a foreign language on a daily basis." It is for this reason that Black, Mendenhall, and Oddou (1991) introduced the concept of cultural novelty to the business literature. Prior to this, research was mostly focused on domestic transfer and organization cultural adjustment (Feldman, 1976; Latack, 1984). Cultural novelty states that in general, new cultural settings generate a high degree of uncertainty when interpreting messages, and this makes the adaption process more strenuous (Black et. al., 1991).

The definition of cultural novelty is supported by the Bandura's (1979) Social Learning Theory. In his research, Bandura (1979) explains Social Learning Theory within the context of reflective and self-referent thought: "By operating on what they know, people can derive knowledge about things that extend beyond their experiences and generate innovative courses of action." Knowing this, the link between this theory and cultural novelty theory can be clearly established. Adapting to a similar culture will be easier because the expatriate will be able to use old experiences as clear guidelines on how to react to new situations, however if the culture is substantially different, previous experiences will not be as useful.

"Chinese communication is situated in and influenced by the premises of its culture" (Jan Selmer, 2006b), and for this reason, even though some Chinese host nationals are proficient in English, the cultural barrier makes a case for misunderstandings even when speaking the same language. Stereotypes



of the Chinese culture often lead to misinterpretation of the actual meaning they want to convey to their phrases (Gao, 1998). Some speech mannerisms that may translate as shy, indirect or evasive to Western expatriates are the norm in China.

The language is not the only thing that is culturally different in China. As Hofstede (1980) suggests, American theories of management do not translate well in different cultures. In his study, Hofstede (1980) found four different cultural dimensions: Power Distance, Uncertainty Avoidance, Individualism- Collectivism, and Masculinity-Femininity. China and the U.S. differ in three of these four dimensions. Power Distance is related to the acceptance of equality in distribution of power. China has a very large Power Distance culture, where hierarchy is important, while the U.S. has a small Power Distance culture. An example of how this might affect an expatriate is that older employees from the host country [China] might expect a younger employee to respect them more, even if that employee might be an expatriate with a managerial role more senior than the host country nationals (Dartey-Baah, 2013; Hofstede, 1980; Selmer, 2007). Uncertainty Avoidance is related to the extent a society feels threatened by changes and ambiguity. Even though both the U.S. and China score low in Uncertainty Avoidance, China's score is even lower, being one of the lowest among Asian countries (Hofstede, 1980; de Bellis, Hildebrand, Ito & Herrmann, 2015). Knowing this, a Western expatriate might feel uncomfortable or reluctant to adopt new products and technologies, while Chinese employees are more likely to do so due to their low uncertainty of avoidance (de Bellis, Hildebrand, Ito & Herrmann, 2015).

The U.S. has an individualist culture, where social frameworks are not so relevant, while China has a highly collectivist culture, where business in China is based on their social network (*guanxi*). *Guanxi* makes the distinction of being from the in-group and the out-group more relevant, and expatriates will naturally fall in the out-group category, which will make it harder for them to adjust (Selmer, 2006b; Hofstede, 1980). Even though both countries have masculine cultures, where assertiveness and other "masculine values" dominate, in general there are more cultural differences than similarities.

Supporting these theories, Black et al. (1991) indicate that cultural novelty is an important variable that affects international transition in their model for in-country adjustment, which takes work adjustment, non- work adjustment, and interaction adjustment with host country nationals into consideration. In this model, the most relevant kind of adjustment is interaction adjustment since it is positively related to performance, whereas interaction adjustment referred to the ability to speak and communicate with host nationals (Kraimer, Wayne, & Jaworski, 2001).

It is important to understand the role cultural differences play in international assignments, and to establish the link that research supports, whereby the greater the cultural differences, the harder it will be for the expatriate to adjust and the more this will affect his/her performance.

On a side note, despite the support behind the cultural novelty theory and the social learning theory, other bodies of research suggest that dissimilarity of culture might sometimes work in favor of the expatriate: "An individual, conspicuously from a very different culture, may be tolerated and given the benefit of a doubt going through the process of trying to adjust to a new culture" (Selmer, 2006a, p.1216). On the other hand if an expatriate from a more similar culture commits a mistake, it may not be attributed to culture clash but to managerial deficit (Hung, 1994).

India

Having one of the fastest growing GDPs in the world makes India a top destination for multinational companies. According to the World Economic Forum Report (2015), the election in 2014 of the Prime Minister, Raendra Modi, contributed to this growth due to his pro-business and growth attitude. India is also a global leader on information and communication technology services, and the possibility of low-cost R&D operation in this fast-paced technological world are all reasons MNEs would like to penetrate the Indian market (Aoyama & Parthasarthy, 2012).



Despite the effort MNEs are making to understand the Indian market and expand their growth opportunities by sending top performers as expatriates, the cultural differences between the American and Indian cultures often lead to premature return (Gupta, Banerjee, & Gaur, 2012). According to the Brookfield Global Relocation Services 2015 Mobility Trends Survey, spousal adjustment is one of the biggest concerns that MNEs face. Especially today, knowing that there are more dual earning households (Shaffer & Harrison, 2001). Only 11% of spouses/partners of expatriates work during international assignments, and spouse/partner career concerns were the second highest reason why an employee might refuse to participate in an international assignment (Brookfield, 2015). This means that in most cases, the spouse has to become a “trailing partner” and follow his/her expatriate, and putting their own career behind (Shaffer & Harrison, 2001).

Permits Foundation (2008), a non-for profit organization that focuses on expatriate’s spouses with the goal of facilitating employment for them during their partner’s international assignment through lobbying, indicated in their survey that lack of job opportunity for the spouse was a major factor that influenced senior executives’ mobility.

After years of lobbying, the Permits Foundation was able to achieve progress on the matter. According to their latest Global Summary (2015), prior to February 2011 the expatriate’s spouse entered India with an X visa, which is a visa for dependents. If the spouse wanted to take up employment in India, he/she would have to find a company willing to sponsor their visas and go back to their country of origin to get a work visa. This process was long and refusal rates were high. However, since February 2011, spouses are able to apply for a conversion of the X visa to the E visa (Employment visa) without having to go back to their country-of-origin to get it. For this to happen, however, the spouse would still need to find a company willing to sponsor their E visa, and therefore this offer of employment needs to meet the E visa requirements. According to the Foreigners Division Ministry of Home Affairs Government of India’s latest employment visa report (2014) the requirements are the following:

“Applicant is a highly-skilled and/or qualified professional, is engaged or appointed by an organization undertaking in India on a contract /employment basis. Employment Visa shall not be granted for jobs for which qualified Indians are available. Employment Visa shall also not be granted for routine, ordinary or secretarial/clerical jobs. The foreign national sponsored for an Employment Visa should draw a minimum salary of USD 25,000 a year (with an exception to e to ethnic cooks, language teachers (other than English language teachers) and translators and staff working for an Embassy/High Commission in India.” Finally, all conversion applications must be approved MHA (Foreigner’s Division) after obtaining a report from the jurisdictional Foreigner’s Registration Office (KPMG, 2011). Despite the advances, partners still have to go through a rigorous approval process in order to be able to work.

Working permits are not the only problem for trailing spouses in India. Adjustment becomes aggravated in a country like India, where culture and societal norms make it even harder for spouses to adapt. Gender roles in India are more defined than in the U.S.: “[In India] the ideal wives were ascribed the title of ‘pativrata’ – meaning ‘one who is vowed to her husband’” (Gupta et al., 2012). The Indian society also frowns upon women working at night, as it is considered not safe or too bold for that gender (Patel, 2006). In addition to this, India is considered one of the most dangerous countries for women: “Female feticide, child marriage and high levels of trafficking and domestic servitude make the world's largest democracy the fourth most dangerous place for women, the poll showed” (Thomson Reuters, 2011).

As stated above, an unhappy spouse is one of the major reasons for an expatriate to have a premature return. Spouses play a significant role in the adjustment of their partners in an international assignment, thus it is important to understand what influences the spouse’s willingness to relocate (Black & Stephens 1989; Black & Gregersen, 1999; Konopaske, Robie, & Ivancevich, 2005). The relationship between spousal satisfaction and the success of an international assignment goes beyond human



resources research; The family system theory also states that children and spouses influence individual decisions (Dallos & Vetere, 2012; Brett & Stroh, 1995).

According to Konopaske, Robie, & Ivancevich (2005), the key predictor variables of the willingness a spouse/partner had for an international relocation were the spouse's adventurousness and job involvement. "The adventurousness facet assesses one's predisposition towards new foods, travel and variety over routine" (Konopaske et al., 2005). The more "adventurous" the spouse the more likely he/she is to adapt (Konopaske et al., 2005; Caliguiri 2000). Regarding the spouse's job involvement, if the spouse has his/her own career the less likely he/she will be to want to relocate (Konopaske et al., 2005; Brett & Stroh, 1995; Shaffer & Harrison 2011).

Other research, instead of focusing on what characteristics make a spouse more or less willing to adjust, focuses on the process of the spousal adjustment. Focusing on the process helps understand the challenges and make connections between expatriate spousal adjustment and the Indian culture: "disruptions in the identity process occur when individuals enter new cultures or adopt noteworthy new roles" (Shaffer & Harrison, 2001). This becomes relevant for the "Identity (Re)formation" stage, Shaffer (2001) explains in her research. Many of the participants [who were all female] of this research claim that after moving to a new country they were not treated as equals because of their gender. Knowing this, and how females are viewed in the Indian culture this would create a great loss of personal identity, which will make it harder for the spouse to adjust (Gupta et al., 2012; Shaffer & Harrison, 2001).

Despite the importance of spousal satisfaction for the success of an international assignment, companies are doing very little about it: "a majority of companies don't provide support that specifically addresses spouse/partner employment or career concerns while on assignment, but rather focus on assistance such as language or intercultural training. Only 41% of respondents provide education/training assistance, and 35% provide career planning assistance" (Brookfield, 2015).

Brazil

Brazil is categorized as one of the world's top four countries with a rapidly emerging economy due to its natural resources and large internal market (Brainard & Martinez-Diaz, 2009; Nilson & Brunte, 2006). These characteristics helped Brazil rebound from the 2009 financial crisis, and put the country as one of the six emerging economies that are expected to account for more than half of global growth in a decade from now as recognized by the World Bank (2011). Such economic growth will bring to the country an increase in the labor force and foreign investment. Due to the potential in its internal market, Brazil is one of the destinations MNEs are projecting for their international assignments.

International assignment to Brazil may come at a high cost, however. Beyond having to adjust to the cultural differences, one of the characteristics that makes Brazil a hardship location for expatriates is how hazardous it is and the quality of life it will provide: "Security issues are typically the first thing people think of when considering the difficulties of moving to a new location" (ECA Global Perspectives, 2012). According to numbeo.com (2016), after considering crime and safety indices, Brazil is the 9th most dangerous country in the world. In Brazil, the main cause of death for people between 15 and 25 years old is homicides (Andrade & Lisboa, 2000).

Since physical risk is at stake in these locations companies implement special strategies for the expatriates: "security briefings before departure; issuing a safety manual; ensuring working mobile phones are distributed; and procedures such as reporting movements in the host location" (Welch, Welch, & Tahvanainen, 2008).

In Brazil, safety issues are not only related to crime and violence. Certain locations are more likely to have more sanitary issues and this leads to an increase risk of getting sick or affected by fatal diseases: "expatriates returning from Latin America had higher proportionate morbidity for mononucleosis and ingestion-related infections (giardiasis, brucellosis)" (Lim et. al., 2012).



Besides bacteria and infection-related illnesses, Brazil's tropical climate favors the vectors involved in the transmission of several tropical diseases. Even though technology advances have decreased the existence of malaria and waterborne diseases, new health concerns have emerged (Lacerda & Romero, 2015).

Other fatal mosquito-transmitted diseases such as Dengue virus, Chikungunya virus, Yellow Fever virus, and Zika virus are very common in Brazil, even compared to other Latin American Countries: "The spread of DENV (Dengue Virus) into the Americas from 1995 to 2010 resulted in greater incidences of infection in Brazil, compared to that found in Ecuador, Paraguay, Peru, Costa Rica, Bolivia, Argentina, Mexico, and Nicaragua" (Marcondes & Ximenes, 2015). Marcondes & Ximenes (2015) explain that besides its tropical weather, the migration from rural to urban areas, unsuitable housing and water shortages have contributed to mosquito breeding.

Such conditions make Brazil a hazardous country and companies have to find different ways to deal with this. It is important that for such locations, expatriates receive pre-departure security awareness training. Unfortunately this doesn't happen often: "less than 30% of all multinational and global companies that send expatriates abroad make such training available to them and their family members" (Lee, 2001).

Knowing that as a result of increase globalization there is an increase of commercial potential in high-risk areas, companies will need to provide extra security training to incentivize their most talented employees to accept such assignments (Hurn, 2007).

For health-related issues the best approach a company can take is to educate employees about the risk they might be facing, and let them decide. For example, with Zika virus, which is more dangerous for pregnant women since it can cause deformation of the fetus, companies should be very cautious to not discriminate by gender by not offering international assignments that might expose them to such disease (Wilkie, 2016).

General practices to handle expatriate assignments

Regardless of the location of the expatriate assignment Black & Gregersen (1999) point out three general practices companies should always use to handle expatriate assignments:

1. It is important that there is a strategic reason behind the decision of sending an employee on an international assignment. Companies should send employees abroad with the purpose of developing and transferring knowledge, developing global leadership skills, or both. Either way, both, the company and expatriates themselves need to know the rationale behind the international assignment, and most importantly this rationale should go beyond a short-term need. "Even when people are sent abroad to extinguish fires, they are expected to plant forests when the embers are cool" (Black & Gregersen, 1999, p.54).
2. The selection process for expatriates goes beyond having the right technical skills. Employers sent on international assignments need to have the proper soft skills as well, and be able to adapt easily to a different culture. For this, it is important the company develops a way to measure cultural sensitivity.
3. Finally, the need to have a detailed repatriation process that includes career guidance is essential for retention purposes (Black & Gregersen, 1999).

These practices can affect retention in many ways. "One reason concerns the adjustment of employee and family to life abroad" (Guzzo et al., 1994, p.618). This could be avoided with dedicated HR support providing pre-departure training, and ongoing support throughout the whole assignment for the expatriates and the family members.



HR is also responsible to not breach the psychological contract; this has also demonstrated a strong correlation with lower turnover rates. A psychological contract is defined as unwritten expectations, “highly subjective, defined by the individual and is to be understood from the employee’s perspective, not the organization’s” (Guzzo et al., 1994, p.617). Perceived violations of expansive psychological contracts are related to retention failures for expatriates. For this reason it is important HR manages these thoroughly. (Guzzo et al., 1994)

Findings from the study of Black & Gregersen, (1999), found that more than three-quarters of expatriates felt that their positions upon returning home were a demotion, and 61% said they could not use their experiences acquired abroad in their current roles. These factors affect bottom-line retention of organization’s top talent: “The average turnover rate of returning professionals reaches 25%” (Black & Gregersen, 1999, p.60).

Repatriation

Literature on the repatriation process is not as extensive as it is for the other parts that entail an international assignment. However, knowing the high costs of these assignments and attrition statistics upon returning from an international assignment, it is important for MNEs to pay more attention to this final yet essential stage for culminating a successful assignment: “If approximately 1 in 4 returning expatriates leaves his/her firm within a year after repatriation, the firm, at the very least, can gain no long-term return on its substantial human capital investment and may incur significant costs in terms of energy, time, and money to replace this lost human resource” (Black, 1992, para.2) .

Even though this process is underestimated because it is thought of as ‘coming back home’, Adler (1981) found that re-entry into the original culture is even harder than having to adapt to a foreign culture. This happens because during the period the international assignment is happening, the expatriates themselves change, the company changes, and even their non-work environment back at home changes (Louis, 1980).

To facilitate expatriates’ re-entry into the organization, companies should make sure that future roles for the returning employee include the opportunity to use recently acquired skills during the assignment.

When discussing the Cultural Novelty and Social Learning theories, we learned that a big part of the challenges of adjusting to a new culture had to do with having to deal with uncertainty on how to react on certain occasions (Bandura, 1979; Black et.al. 1991). Black (1992) explains that one of the methods to reduce such uncertainty is through the creation of expectations. This contributes to the issue around repatriation and the cultural adjustment process because those individuals who have inaccurate expectations are more likely to have negative reactions (Louis, 1980). Supporting this theory of unmet expectations, Stroh (200) points out March and Simon’s organizational theory (1958), which argues that for individual to continue commitment with an organization, they have to feel that the company is offering incentives that match the amount of effort they put into their international assignment. Lazarova and Caliguiri (2001, p.391) explain this by saying it is a psychological contract between the organization and the employee, and in this contract perception matters: “the greater the perceived equity, the greater the likelihood that they will remain with the company upon repatriation”.

Duoto (2003) explains that when employees are preparing for an international assignment they expect to encounter unfamiliar situations, however when they are coming back home they don’t have such expectation or experiencing a reverse cultural shock.

Unexpected reverse cultural shock is not the only problem related to unmet expectations. During their international assignment expatriates get used to having a generous compensation package, and most of them expect similar packages upon their return to the headquarters, and this is not the case (Gove & Hallowell, 1997). Howard (1974, p.22) explains: “when he [the expatriate] is transferred back



home the bubble breaks and he finds he cannot live quite as high as he has become accustomed to". Accompanied by this change in compensation, there is also a change in status: The American overseas executive... becomes accustomed to moving in prestigious circles in a host country. Back in the United States, however, he often finds he has moved to a lower middle-class level (Howard, 1974).

Unmet expectations are not only related to compensation, but also when expatriates come back they expect that the company appreciates their international knowledge, and this is not always the case. Adler (1981, p.342) observed a discrepancy among perceived effectiveness of returning expatriates at work: "Managers evaluated most highly the returnees who did not have characteristics of 'foreigners'; nor used their cross-cultural learnings on the home-site job. Colleagues evaluated as most effective the returnees who had the least overseas experience and/or contact with foreign cultures. By contrast, returnees saw themselves as most effective when they were integrating the foreign and home-country experiences and actively using the skills and experiences that they had gained overseas." These findings conflict with one of the main reasons of why companies use international assignments, which is to further develop and employ an employee to make him/her a better fit for a higher managerial role in the future (Collings et.al. 2007).

Instead of having an indifferent attitude toward repatriates' newly acquired international skills, companies should take advantage of it: "Repatriates, who have completed a global assignment, can help establish and expand an MNC's international business because they possess first-hand knowledge of particular cultural contexts, including information about specific markets and customers" (Lazarova & Caliguiri, 2001, p.389).

The same way cultural shock when traveling overseas not only affects the expatriate but also the family, reverse cultural shock also affects the expatriate's family. Children have to switch school again and most likely most of their schooling was done in a foreign school and perhaps in a foreign language. Also, the expatriate spouse will have to readjust to the possibility of having to lose domestic help, which is more common overseas. Finally, often the expatriates live in small expatriate communities where they are surrounded by people similar to themselves and create meaningful relationships, having to readjust to their cultural community will also contribute to the reverse cultural shock (Howard, 1974).

Lazarova & Caliguiri (2001) identified a series of predictors to determine if the expatriates will remain in the company after repatriation. Career development played a significant role among such predictors. Non-challenging jobs, no promotions, and lack of autonomy were all negatively associated with retention. Also support from managers and peers and how the company handled repatriation were very important for employees to remain within the company upon arrival from the assignment.

Of all those factors, Feldman & Thompson (1993) found that the perception of how the company handled the repatriation process was the most important. The mere fact of having repatriation policies in place enhances positive perception of the returning expatriates (Lazarova & Caliguiri, 2001).

The Society of Human Resource Management (2012) suggests the following:

- Communicate repatriation plans before the assignment begins.
- Communicate throughout the international assignment to be aware of the expatriate's career goals and take them into account for career planning.
- Provide relocation services (time to move, financial support, re-entering their community life).
- Provide reverse culture shock training for the expatriate and the family members.
- Recognize the employee on the company's newsletter and thank him/her publically for their time abroad. It is important to show appreciation and create a company culture that supports international assignments.
- Make opportunities available for the expatriate where he/she can use the recently acquired knowledge.



Yeaton and Hall (2008, p.77) also agree with these suggested practices and additionally suggest the creation of mentorship programs: “The connection with the home office that mentors provide to expatriates while they are on assignment keeps them ‘in the loop’ and avoids the ‘out of sight, out of mind’ situation that most often causes expatriates to feel uncomfortable upon their return to their company and, eventually, leave.”

Conclusion

MNEs make large investments into their mobile workforce to gain a competitive advantage, enter different markets and ultimately increase profits. The last thing companies have in mind when implementing international assignments is losing money. However, the reality is not as idealistic. There is a significant portion of MNEs who are losing their investments on international assignments, and this is because of a deficit on their selection models, lack of cross-cultural training and spouse and family dissatisfaction.

Companies should change their selection strategies to ones that better fit the goals of an international assignment. Expatriates are sent overseas with the mission to fill knowledge gaps on the host country, further develop their own managerial skills but most importantly to be drivers of organizational change. For the latter to happen, expatriates need to have more than technical skills. Expatriates need soft skills, and personality types that will make them more malleable to different cultures.

Many companies cut costs by reducing the amount of cross-cultural training or not offering it at all. Cross-cultural training is essential to establish the assignment’s goals and create expectations that will make adaptability to the new country easier for the expatriate.

Finally, companies make the common mistake of focusing only on the expatriate, when the family and spouse’s happiness is key to the expatriate’s satisfaction. For this reason it is important to offer cross-cultural training for the family and spouse as well. Also offering career support for the spouse will be a plus, especially now that more couples live in a dual-income household.

All these issues become more accentuated when expatriates are sent to hardship locations. These locations have hazardous living conditions, offer a poor quality of life or have drastically different cultures. Even though these locations make it harder for the expatriate to adjust and are less appealing, companies still need employees who are willing to go to such locations. Hardship locations offer emerging economies and new markets to penetrate that will bring profitability to the organization.

Knowing about the hazardous conditions, companies often offer premiums in the salaries of the expatriates that accept such assignments, however this is not enough to ensure a failure-free assignment. In these countries, cultural differences and nature conditions play a role that makes the adjustment process harder for the expatriate and his/her family.

In China, the differences among culture and language make it harder for expatriates to adjust not only outside the workplace but also inside. Culture places a high role in managerial style, and Asian hierarchical culture, which is high in power distance, differs greatly from the flatter American organizational culture.

In India, social norms and crime make it harder for expatriate’s female spouses to adapt. Also, visa regulations for spouses/dependents are tedious to get, therefore it is hard for spouses to get jobs. This negatively affects expatriate success because unhappy spouses are one of the key reasons for early termination of expatriate assignment.

Finally, Brazil is a country with high crime and violence indices. Where favelas mesh with more affluent neighbors, it is easy for expatriates to be at high risk at all times. Besides crime, illnesses are also an issue at Brazil. Tropical weather perpetuates mosquito breeding, and this ultimately leads to



epidemics of different viruses that can be lethal. Such characteristics do not only affect the expatriate but also his/her whole family.

To prevent expatriate failure it is important to put in practice adequate selection practices, to invest in proper and extensive cross-cultural training and to take into consideration the expatriate's family.

Finally, it is important to remember that the struggle is not over as soon as the assignment is over. Various researchers have shown that the repatriation process is even more complex than the expatriation process. This happens because the expatriates and the organizations believe that coming back home will not present any challenges for the returning expatriate. Making this assumption is a mistake on the side of the company because in many cases the organization does not provide reverse cultural shock training. Also, since the organization does not provide such training the repatriate is not even aware that he/she might experience reverse cultural shock, and once it happens, it is completely unexpected. One of the main arguments and conclusions I reach in this paper is that when expectations are not met, commitment to the company decreases due to a breach on the psychological contract. Such breach ends up resulting in high turnover rates of returning expatriates.

It is important to recognize that repatriation is as relevant as any other stage of the international assignment, and for this reason companies should start planning this process months prior to the return of the expatriate.



References

- Adler, N. J. (1981). Re-entry: Managing cross-cultural transitions. *Group & Organization Management*, 6(3), 341-356. doi:10.1177/105960118100600310
- Aoyama, Y., & Parthasarathy, B. (2012). Research and development facilities of multinational enterprises in India. *Eurasian Geography and Economics*, 53(6), 713-730. doi:10.2747/1539-7216.53.6.713
- Bandura, A. (1979). Self-referent mechanisms in social learning theory. *American Psychologist*, 34(5), 439-441. doi:10.1037/0003-066X.34.5.439.b
- Barth, J. R., Tatom, J. A., & Yago, G. (2009). *China's emerging financial markets: Challenges and opportunities* (1st ed.). New York: Springer. doi:10.1007/978-0-387-93769-
- Bennett, R., Aston, A., & Coiquhoun, T. (2000). Cross-Cultural Training: a Critical Step in Ensuring the Success of International Assignments. *Human Resource Management*, 39(2/3), 239. [http://doi.org/10.1002/1099-050X\(200022/23\)39:2/3<239::AID-HRM12>3.0.CO;2-J](http://doi.org/10.1002/1099-050X(200022/23)39:2/3<239::AID-HRM12>3.0.CO;2-J)
- Bhatti, M. A., Kaur, S., & Battour, M. M. (2013). Effects of individual characteristics on expatriates' adjustment and job performance. *European Journal of Training and Development*, 37(6), 544–563. <http://doi.org/10.1108/EJTD-02-2013-0013>
- Black, J. S. (1992). Coming Home - the Relationship of Expatriate Expectations with Repatriation Adjustment and Job-Performance. *Human Relations*. <http://doi.org/10.1177/001872679204500205>
- Black, J. S., & Gregersen, H. B. (1999). The right way to manage expats. *Harvard Business Review*. Retrieved from <Go to ISI>://WOS:000078851500008
- Black, J. S., & Mendenhall, M. (1991). The U-Curve Adjustment Hypothesis Revisited: A Review and Theoretical Framework. *Journal of International Business Studies*, 22(2), 225–247. <http://doi.org/10.1080/03088837500000054>
- Black, J. S., Mendenhall, M., & Oddou, G. (1991). Toward a comprehensive model of international adjustment: An integration of multiple theoretical perspectives. *Academy of Management Review*, 16(2), 291–317. <http://doi.org/10.5465/AMR.1991.4278938>
- Black, J. S., & Stephens, G. K. (1989). The influence of the spouse on american expatriate adjustment and intent to stay in pacific rim overseas assignments. *Journal of Management*, 15(4), 529-544. doi:10.1177/014920638901500403
- Brainard, L., & Martinez-Diaz, L. (Eds.). (2009). *Brazil as an Economic Superpower?: Understanding Brazil's Changing Role in the Global Economy*. (L. Brainard & L. Martinez-Diaz, Eds.). Brookings Institution Press. Retrieved from <http://www.jstor.org.ezaccess.libraries.psu.edu/stable/10.7864/j.ctt6wpgd6>
- Brett, J. M., & Stroh, L. K. (1995). Willingness to relocate internationally. *Human Resource Management*, 34(3), 405–424. <http://doi.org/10.1002/hrm.3930340305>
- Caligiuri, P. M. (2000). Selecting Expatriates for Personality Characteristics: A Moderating Effect of Personality. *Management International Review*, 40(1), 61 –80. Retrieved from <http://www.jstor.org/stable/10.2307/40835867>
- Caligiuri, P., Phillips, J., Lazarova, M., Tarique, I., & Burgi, P. (2001). The theory of met expectations applied to expatriate adjustment: the role of crosscultural training. *The International Journal of Human Resource Management*, 12(3), 357–372. <http://doi.org/10.1080/09585190121711>
- Chen, G., Kirkman, B., Kim, K., Farh, C., & Tangirala, S. (2010). When does cross-cultural motivation enhance expatriate effectiveness? A multilevel investigation of the moderating roles of subsidiary support and cultural distance. *Academy of Management Journal*, 53(5), 1110–1130. <http://doi.org/10.5465/AMJ.2010.54533217>
- Chen, G. M., & Starosta, W. J. (2000). The development and validation of the Intercultural Sensitivity Scale. *Human Communication*, 3, 1–15.



- Collings, D. G., Scullion, H., & Morley, M. J. (2007). Changing patterns of global staffing in the multinational enterprise: Challenges to the conventional expatriate assignment and emerging alternatives. *Journal of World Business, 42*(2), 198–213. <http://doi.org/10.1016/j.jwb.2007.02.005>
- Craig, T. (2009). What expats need from HR. *Personnel Today, 18*. Retrieved from <http://proquest.umi.com.library.capella.edu/pqdweb?did=1793840621&Fmt=7&clientId=62763&RQT=309&VName=PQD>
- Dallos, R., & Vetere, A. (2012). Systems Theory, Family Attachments and Processes of Triangulation: Does the Concept of Triangulation Offer a Useful Bridge? *Journal of Family Therapy, 34*(2), 117–137. <http://doi.org/10.1111/j.1467-6427.2011.00554.x>
- Dartey-Baah, K. (2013). The Cultural Approach to the Management of the International Human Resource: An Analysis of Hofstede's Cultural Dimensions. *International Journal of Business Administration, 4*(2), n/a. <http://doi.org/10.5430/ijba.v4n2p39>
- de Bellis, E., Hildebrand, C., Ito, K., & Herrmann, A. (2015). Cross-national differences in uncertainty avoidance predict the effectiveness of mass customization across east asia: A large-scale field investigation. *Marketing Letters, 26*(3), 309-320. doi:10.1007/s11002-015-9356-z
- Duoto, M. A. (2003). *Factors influencing job satisfaction of repatriated managers*(Order No. 3077841). Available from ABI/INFORM Complete; ProQuest Dissertations & Theses A&I. (305227089). Retrieved from <http://ezaccess.libraries.psu.edu/login?url=http://search.proquest.com.ezaccess.libraries.psu.edu/docview/305227089?accountid=13158>
- ECA (2012). Location Ratings. Retrieved from <https://www.eca-international.com/insights/white-papers/june-2013/eca-global-perspectives-location-ratings>
- Feldman, D. C. (1976). A contingency theory of socialization. *Administrative Science Quarterly, 21*(3), 433-452.
- Feldman, D. C., & Tompson, H. B. (1993). Expatriation, repatriation, and domestic geographical relocation: An empirical investigation of adjustment to new job assignments. *Journal of International Business Studies, 24*(3), 507-529. doi:10.1057/palgrave.jibs.8490243
- Foreigners Division Ministry of Home Affairs Government of India's latest employment visa report (2014). Retrieved from <http://mha1.nic.in/pdfs/EmploymentVisa-300514.pdf>
- Fraze, V. (1998). Keeping your expats healthy. *Workforce Management, 3*(6), 19–23. Retrieved from http://search.proquest.com/docview/219781973?accountid=13552&http://findit.lib.rmit.edu.au:9003/sfx_local??genre=article&sid=ProQ:&atitle=Keeping+your+expats+healthy∓title=Workforce+Management&issn=1547-5565&date=1998-11-01&volume
- Gao, G. (1998). "Don't take my word for it."—understanding Chinese speaking practices." *International Journal of Intercultural Relations, 22*(2), 163–186. [http://doi.org/10.1016/S0147-1767\(98\)00003-0](http://doi.org/10.1016/S0147-1767(98)00003-0)
- Grove, C., & Hallowell, W. (1997, May). The dark side of repatriation. Benefits & Compensation Solutions. [Online. December 7, 2000]. Available: www.growell.com
- Groysberg, B., Nohria, N., & Herman, K. The Expat Dilemma., 89 Harvard Business Review 150–153 (2011). Retrieved from <http://miman.bib.bth.se/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=67003272&site=ehost-live>
- Gupta, R., Banerjee, P., & Gaur, J. (2012). Exploring the role of the spouse in expatriate failure: A grounded theory-based investigation of expatriate' spouse adjustment issues from India. *The International Journal of Human Resource Management, 23*(17), 3559–3577. <http://doi.org/10.1080/09585192.2011.645052>



- Guzzo, R. a., Noonan, K. a., & Elron, E. (1994). Expatriate managers and the psychological contract. *Journal of Applied Psychology, 79*(4), 617–626. <http://doi.org/10.1037/0021-9010.79.4.617>
- Harzing, A. W. (2001). Of bears, bumble-bees, and spiders: The role of expatriates in controlling foreign subsidiaries. *Journal of World Business, 36*(4), 366–379. [http://doi.org/10.1016/S1090-9516\(01\)00061-X](http://doi.org/10.1016/S1090-9516(01)00061-X)
- Herod, Roger (2012). Expatriate Compensation Strategies : Applying Alternative Approaches. Retrieved from <http://www.ebib.com>
- Hodgetts, R. M., & Luthans, F. (1993). U.S. multinationals' expatriate compensation strategies. *Compensation and Benefits Review, 25*(1), 57. <http://doi.org/10.1177/088636879302500111>
- Hofstede, G. (1980). Motivation, leadership, and organization: Do American theories apply abroad? *Organizational Dynamics, 9*(1), 42–63. [http://doi.org/10.1016/0090-2616\(80\)90013-3](http://doi.org/10.1016/0090-2616(80)90013-3)
- Howard, C. G. (1974). THE RETURNING OVERSEAS EXECUTIVE: CULTURAL SHOCK IN REVERSE. *Human Resource Management, 13*(2), 22. Retrieved from <http://ezaccess.libraries.psu.edu/login?url=http://search.proquest.com.ezaccess.libraries.psu.edu/docview/1308649814?accountid=13158>
- Hurn, B. J. (2007). Pre-departure training for international business managers. *Industrial and Commercial Training, 39*(1), 9-17. doi:10.1108/00197850710721354
- Konopaske, R., Robie, C., & Ivancevich, J. M. (2005). A preliminary model of spouse influence on managerial global assignment willingness. *The International Journal of Human Resource Management, 16*(3), 405–426. <http://doi.org/10.1080/0958519042000339570>
- KPMG (2011). INDIA FACILITATES CONVERSION OF ENTRY (“X”) VISAS INTO EMPLOYMENT VISAS by KPMG, India (a KPMG International member firm). Retrieved from <https://www.kpmg.com/US/en/IssuesAndInsights/ArticlesPublications/flash-international-executive-alert/Documents/flash-international-executive-alert-2011-036-feb.pdf>
- Kraimer, M. L., Wayne, S. J., & Jaworski, R. A. a. (2001). Sources of Support and Expatriate Performance: the Mediating Role of Expatriate Adjustment. *Personnel Psychology, 54*(1), 71–99. <http://doi.org/10.1111/j.1744-6570.2001.tb00086.x>
- Lacerda, M. V. G., & Romero, G. A. S. (2015). Epidemiological transition of tropical diseases in the brazilian amazon. *Revista Da Sociedade Brasileira De Medicina Tropical, 48*, 1.
- Latack, J. C. (1984). Career transitions within organizations: An exploratory study of work, nonwork, and coping strategies. *Organizational Behavior and Human Performance, 34*(3), 296-322. doi:10.1016/0030-5073(84)90041-2
- Lazarova, M., & Caligiuri, P. (2001). Retaining repatriates: The role of organizational support practices. *Journal of World Business, 36*(4), 389–401. [http://doi.org/10.1016/S1090-9516\(01\)00063-3](http://doi.org/10.1016/S1090-9516(01)00063-3)
- Lee, H. (2007). Factors that Influence Expatriate Failure : An Interview Study. *Management, 24*(3), 403–414. Retrieved from <http://www.internationaljournalofmanagement.co.uk/2007/2007-3.html>
- Lee, E (2001). Keeping Expatriates Safe A systematic Approach. Retrieved from <http://www.globalbusinessnews.net/story.asp?sid=40>
- L, H. C. (1994). Business mindsets and styles of the chinese in the people's republic of china, hong kong, and taiwan. *The International Executive (1986-1998), 36*(2), 203.
- Lim, P., Han, P., Chen, L. H., MacDonald, S., Pandey, P., Hale, D.. . GeoSentinel Surveillance Network. (2012). Expatriates ill after travel: Results from the geosentinel surveillance network. *BMC Infectious Diseases, 12*(1), 386-386. doi:10.1186/1471-2334-12-386
- Lisboa, M. d. B., & Andrade, M. V. (2000). *Desesperança de vida: Homicídio em minas gerais, rio de janeiro e são paulo: 1981 a 1997.* ().



- Littrell, L. N. (2006). Expatriate Preparation: A Critical Analysis of 25 Years of Cross-Cultural Training Research. *Human Resource Development Review*, 5(3), 355–388.
<http://doi.org/10.1177/1534484306290106>
- Louis, M. R. (1980). Surprise and sense making: What newcomers experience in entering unfamiliar organizational settings. *Administrative Science Quarterly*, 25(2), 226.
- Mäkelä, L., Käsälä, M., & Suutari, V. (2011). The roles of expatriates' spouses among dual career couples. *Cross Cultural Management: An International Journal*, 18(2), 185–197.
<http://doi.org/10.1108/13527601111126012>
- Marcondes, C. B., & Ximenes, Maria de Fátima Freire de Melo. (2015). Zika virus in Brazil and the danger of infestation by aedes (stegomyia) mosquitoes. *Revista Da Sociedade Brasileira De Medicina Tropical*,
- Murer, R. (2013). Several Factors Determine International Location Allowances. Retrieved from <http://www.shrm.org/hrdisciplines/global/articles/pages/international-location-allowances.aspx>
- Nilsson, R. and O. Brunet (2006), "Composite Leading Indicators for Major OECD Non-Member Economies: Brazil, China, India, Indonesia, Russian Federation, South Africa", *OECD Statistics Working Papers*, No. 2006/01, OECD Publishing, Paris.
 DOI: <http://dx.doi.org.ezaccess.libraries.psu.edu/10.1787/834716666802>
- Numbeo (2016). *Crime Index for Country 2016*. Retrieved from http://www.numbeo.com/crime/rankings_by_country.jsp
- Patel, R. (2006). Working the night shift: Gender and the global economy. In *ACME* (Vol. 5, pp. 9–27).
- Permits Foundation (2013). *Expatriate spouses and partners employment, work permits and international mobility*. International Summary Report. Retrieved from: <http://in.reuters.com/article/idINIndia-57704120110615>
- Permits Foundation (2015). *Work authorisation for family members Global summary of country regulations*. Retrieved from <http://www.permitsfoundation.com/wp-content/uploads/Global-summary-work-authorisation-April-2015.pdf>
- Prasad, S. B. (1981). Managers' Attitudes in Brazil: Nationals vs. Expatriates. *Management International Review (MIR)*, 21(2), 78–85. Retrieved from <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=12253971&site=ehost-live>
- Reiche, S., & Harzing, A. (2010). International Assignments. *International Human Resource Management*, (December), 185–226.
- Schneider, S. K. (2006). Review of international assignments: An integration of strategy, research, & practice. *The Psychologist-Manager Journal*, 9(2), 207-209. Retrieved from <http://search.proquest.com.ezaccess.libraries.psu.edu/docview/1269605621?accountid=13158>
- Sánchez Vidal, M. E., Sanz Valle, R., & Barba Aragón, M. I. (2008). International workers' satisfaction with the repatriation process. *The International Journal of Human Resource Management*, 19(9), 1683–1702. <http://doi.org/10.1080/09585190802295256>
- Selmer, J. (2006a). Cultural novelty and adjustment : Western business expatriates in China. *The International Journal of Human Resource Management*, 17(7), 1209–1222.
<http://doi.org/10.1080/09585190600756475>
- Selmer, J. (2006b). Language ability and adjustment : Western expatriates in China. *Thunderbird International Business Review*, 48(3), 347–368. <http://doi.org/10.1002/tie>
- Selmer, J. (2007). Which Is Easier, Adjusting to a Similar or to a Dissimilar Culture?: American Business Expatriates in Canada and Germany. *International Journal of Cross Cultural Management*, 7(2), 185–201. <http://doi.org/10.1177/1470595807079385>



- Shaffer, M. a, & Harrison, D. a. (2001). Forgotten partners of international assignments: development and test of a model of spouse adjustment. *The Journal of Applied Psychology, 86*(2), 238–254. <http://doi.org/10.1037/0021-9010.86.2.238>
- SHRM(2012). Rpatiation: How can company best retain repatriated employees?. Retrieved from <https://www.shrm.org/templatestools/hrqa/pages/howcanmycompanybestretainrepatriatedemployees.aspx>
- Starr, T. L. (2009). Repatriation and short-term assignments: an exploration into expectations, change and dilemmas. *The International Journal of Human Resource Management, 20*(2), 286–300. <http://doi.org/10.1080/09585190802670557>
- Stroh, L. K., Gregersen, H. B., & Black, J. S. (2000). Triumphs and tragedies: Expectations and commitments upon repatriation. *The International Journal of Human Resource Management, 11*(4), 681-697. doi:10.1080/09585190050075060
- Teague, J. (2015). CORPORATE PREPARATION FOR THE CROSS-CULTURAL ADAPTATION EXPERIENCE OF THE ACCOMPANYING EXPATRIATE SPOUSE. *Journal of International Business Research, 14*(2), 139-151. Retrieved from <http://search.proquest.com.ezaccess.libraries.psu.edu/docview/1750421329?accountid=13158>
- Thite, M., Srinivasan, V., Harvey, M., & Valk, R. (2009). Expatriates of host-country origin: “coming home to test the waters.” *The International Journal of Human Resource Management, 20*(2), 269–285. <http://doi.org/10.1080/09585190802670532>
- Thomson Reuters(2011). *FACTBOX - The world's most dangerous countries for women*. Retrieved from: <http://in.reuters.com/article/idINIndia-57704120110615>
- Tung, R. L. (1998). American expatriates abroad: From neophytes to cosmopolitans. *Journal of World Business, 33*(2), 125–144. [http://doi.org/10.1016/S1090-9516\(98\)90002-5](http://doi.org/10.1016/S1090-9516(98)90002-5)
- Welch, C. L., Welch, D. E., & Tahvanainen, M. (2008). Managing the HR dimension of international project operations. *The International Journal of Human Resource Management, 19*(2), 205-222. doi:10.1080/09585190701799754
- Wilkie, D. (2016,). The zika virus: What employers should not do: Forbidding travel or requiring quarantines and medical evaluations are discouraged. *Hrnews*
- World Bank (2011). *Emerging growth poles will alter the balance of global growth*. Retrieved from <http://web.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROSPECTS/EXTGDH/0,,contentMDK:22915409~menuPK:7935744~pagePK:64167689~piPK:64167673~theSitePK:7933464,00.html>
- World Economic Forum (2016). *India Economic Report*. Retrieved from <http://reports.weforum.org/global-competitiveness-report-2015-2016/economies/#indexId=GCI&economy=IND>
- Yeaton, K., & Hall, N. (2008). Expatriates: Reducing failure rates. *Journal of Corporate Accounting & Finance, 19*(3), 75-78. doi:10.1002/jcaf.20388



Center for International Human Resource Studies

The Center for International Human Resource Studies is an initiative of the School of Labor and Employment Relations at the Pennsylvania State University (USA), which aims to encourage IHRM scholarly research, and to serve the International HR practitioner community. Through targeted events, our goal is to develop a strong community of academics and practitioners passionate about international HRM, enabling the sharing of ideas to advance knowledge and practice in the field. The activities of the CIHRS are led by a core team of academics in the School of Labor and Employment Relations – Dr Elaine Farndale (Center Director), Dr Sumita Raghuram, Dr Helen Liu, Dr Jean Phillips, and Dr Stan Gully – supported by researchers and a network of CIHRS Fellows who are leading experts in the IHRM field from across the globe. CIHRS Fellows currently include: Ingmar Björkman (Aalto University, Finland), Chris Brewster (Henley Business School, UK), Paula Caligiuri (Northeastern University, USA), Lisbeth Claus (Willamette University, USA), Tony Edwards (Kings College London, UK), and Randall Schuler (Rutgers University, USA).



This paper is available for download at: <http://ler.la.psu.edu/cihrs/series/research-paper-series>.