Some see it as naïve that the corporate clients of relocation companies should consider the funding of repatriation packages, but when confronted with the facts, can they really afford not to? As I will examine, the financial costs of companies losing key staff as a result of a mismanaged repatriation are huge, but is there also an ethical dimension?

In the 1970s two psychologists, Holmes and Rahe, developed a scale for measuring cumulative life stress, based on an examination of the medical records of over 5,000 patients. According to this scale, a score of over 150, made up from life events such as bereavement, divorce and bankruptcy, can result in serious stress that will, if left untreated, lead to mental health problems. When all of the factors involved in a relocation are added together, the score is 186. If we then add in further factors that are highly likely to accompany a relocation, that score shoots up to 301. Repatriation scores similarly high on the index.

The enormous costs to companies of sending an individual overseas are well understood by the relocation fraternity, and yet still, in 2011, we find it almost impossible to persuade our clients to fund repatriation management packages. When candidate selection has been done and it comes to the careful negotiations with HR over the compensation and benefits package, how often are relocation support costs given a far lower priority than say, host country salary matching?

All of these complex calculations to ensure the middle ground between the employee being well rewarded for what will be a significant life change, and the company conforming to a cost-effective relocation policy, are utterly pointless if the assignment fails. As companies have started to understand this and the reasons why, (80% of failed assignments are attributed to a failure to adjust to the host culture), so they have seen the value of funding cultural orientation programmes through relocation providers.

But a worse scenario is being ignored; the assignment is a success, the transferee does a great job, the family stay for the duration but then because of mismanaged repatriation, the employee leaves the company for a better offer elsewhere. 60% of transferees have no defined role on their immediate return and are “slotted in”. 20% of transferees will leave or be head-hunted away from the company within 9 months of return, and 50% within 24 months, if they are not promoted or re-signed abroad. These figures represent a huge financial loss for the company and even those corporations with a culture that does not encourage a hand-holding approach to international assignments, should be able to appreciate the value of properly managed repatriation against the far higher cost of talent loss to the competition.

The impact of repatriation can be just as significant for the family as the original move itself. Sometimes referred to as “Inpatriation”, but more often as “reverse culture shock”, the return to home can provoke huge disruption for the family and transferee. In her book “Homeward Bound: A Spouse’s Guide to Relocation” (Expatriate Press 2000), Robin Pascoe defines reverse culture shock this way:

“It is simply the shock of being home. It’s the reverse culture shock you experience in your own country when you return to the places that should be familiar to you, but aren’t; try to interact with people you should feel comfortable with, but don’t; or face situations you should be able to handle, but can’t. There can be no simpler way to explain it. Re-entry shock is when you feel like you are wearing contact lenses in the wrong eyes. Everything looks almost right.”

These feelings can be worse than the culture shock experienced in the first weeks of the assignment. Feeling like a foreigner in a foreign land is expected; feeling a stranger in your own home is not.

Impact on the Employee

The move abroad is exciting, usually involving a promotion or at the very least, an increase in peer status, and is playing up to the transferees strengths. The day to day impact of life in the new culture is more keenly felt by the partner and children, who are interacting with it on a far more intimate basis. The transferee on the other hand has been chosen for a particular skill set, usually including language skills where necessary, which are by and large appreciated by the new team as an asset. The transferee slots into a new work culture, with all of the social contact that entails. The family on the other hand have a harder time.

As the assignment comes to an end, the transferee starts the closure process of the post, probably handing over to a locally based team or manager. At this point, home country HR should be back in touch, to start the career planning for the home move. However, 68% of companies provide no post-assignment guarantees, and this is going to have a dual impact on the employee.

Firstly, they will have a deep sense of insecurity. They may have taken their family away from extended family and friends, interrupted education programmes and careers, and for what? To return home with no job?

Secondly, they may begin to develop a distrust of the company. They have given their all, made the assignment or project a success, and their rewards in terms of higher salary and status, after three years of acclimatisation, seem like a distant memory. The figures are startling:

- 60% of expats reported that their company did not communicate what they faced on repatriation
- 33% were still filling temporary assignments 3 months after their return
- 75% who obtained a permanent position on repatriation reported it felt like a demotion
- 66% reported the skills learned during expatriation were ignored, which lead to 25% leaving within 12 months (2010, Center for Global Assignments).

Recent research indicates that the repatriation process is even tougher for female transferees. Dr Margaret Linehan of the Cork Institute of Technology writes in her paper “Work-Family Conflict and the Repatriation of Female International managers”:

“All the issues of repatriation are enhanced for women executives. Among other professional challenges felt by the repatriating female manager is the fact that the glass ceiling they hit before they left the country is still firmly in place… Traditionally women were not very good at making demands and were not strong enough in voicing these demands.”

Dr Linehan’s research also points out that women managers have a far greater responsibility within family situations than their male counterparts and are under
greater pressure when coming home, to oversee the impact on the family.

**Impact on the Partner**

The same issues that face the partner moving overseas, continue to be evident when returning home. The challenges that are faced in trying to reintegrate into a social and familial network are akin to having to start again. The relationships may have been neglected and there can be resentment on many sides – people at home didn’t keep in touch enough, the partner has also probably spent more time and energy on creating new alliances in the host country than on maintaining those back home. Then there is the issue of story fatigue; not everyone is as interested in hearing about the experiences of the partner in their life abroad than could be expected, and where a person’s world view has been dominated by the host country, there can be a distinct feeling of not belonging once back at home.

Another issue, is the potential change in living standards. In order for the company to persuade the family to relocate, they have generally offered financial incentives, from generous housing allowances to the payment of school fees. On returning home, these are taken away and the lifestyle that the family has become used to is radically reduced. This is particularly a factor for Europeans coming home from the USA, where living standards are very high in comparison with the cost of living in most European cities.

Often, the ability of the partner to slip back into a career they left several years before is curtailed. Home country costs of living may have increased. Where a family relied upon two incomes before the assignment and are now reduced to one, the issues of a comfortable lifestyle are made more complex still. Financial issues are often at the core of relationship difficulties and these are so often a major factor in an unplanned repatriation.

**Impact on the Children**

This is where the impact can be the most pronounced, and the most dramatic, especially for teenagers caught between school systems, deep friendships and hormonal angst. Where the assignment has been a long one, there is the risk of the child becoming a Third Culture Kid – far more familiar with the host culture than the home one. For them the return is a far greater challenge, as they are already at home and will be going somewhere completely foreign. Not only will they face a profound culture shock, they will also struggle with a sense of loss of identity as they leave their friends and peers behind.

Practical issues also loom large. If they have been able to drive in the host culture, and are deemed too young back home, a central part of their independence will have been removed. Using public transport, facing cultural issues around the freedom of children within the host culture, and potential gender role perceptions back home, can also raise enormous issues for the returning child. This can be particularly evident when children are moved from a liberal host culture, to a home culture with stricter social rules and expectations.

So how can companies be encouraged to take repatriation seriously?

The financial case. If there is one motivating factor for any of us to spend money, it is the thought that in the long run we will save money. The huge investment companies make in their globally mobile workforce, should be protected at all costs. An employee who moves to a rival company following assignment, is not just a lost investment, they are a potential competitor, taking all of the experiences they have had in opening new markets, overseeing international projects or just learning new skills, to a direct adversary.

The ethical dimension. There should be a level of social responsibility in any company towards its greatest asset; its people. Companies who undervalue their employees, should be frequently reminded of this, and of how a lack of investment in the assets that make it profitable, could eventually lead to it becoming uncompetitive. Profit aside, it cannot be ethical for a company to regard its’ staff as merely a tool. These are people, with lives, partners, children, hopes and dreams. Globalisation is increasingly regarded with suspicion following the banking crisis and the ongoing financial instability. Companies should at the very least show they have a sense of social responsibility not just to the environment, but to their natural resources as well.

An effective toolkit for repatriation can help.

**A Perfect Planned Repatriation: 9-12 Months Prior:**

- Confirm the exact date with the transferee, home and host HR and management
- Let the transferee inform friends and family of this date
- Provide some way for the transferee to talk with others who have been through the process
- Encourage the family to really cherish the remaining time they have in the host culture.

**6-9 Months Prior:**

- Schedule an exit interview with host management
- Contact home HR and management and have the transferee update them with the new skills they have
- Start the financial planning process – have the family made aware of the changes they will face when they are back on host country income
- Ensure tax management is in place for the transferee
- Discuss with the transferee the probability of HR and relocation support with any likely housing issues in the host location
- Discuss at this point, any issues with host country housing; dilapidations, deposits, etc
- Notify schools of departure dates and contact HR in the home country – can they assist the repatriation with relocation support?
- Will there be support in the home country with school search?

**1-6 Months Prior:**

- Re-engage relocation provider to supervise;
  - Property check-out arrangements
  - Travel arrangements
  - Closure of financial aspects such as bank accounts
  - Mail forwarding
  - Speak with Tax Advisor
  - Repatriation cultural counselling
- Goodbye parties
- Closure of relationships for the children – setting up of IT based “Keep In Touch” schedules.

**Once back home:**

- Relocation support with housing and schooling needs
- Partner employment support.
- The bottom line in repatriation, is the bottom line. Even though profit should not be the only motivating factor in providing repatriation assistance, the loss of a valued employee to a competitor makes for a compelling reason to fund extra support.