

Why It Is Hard to Measure Expatriate Performance - Top Five Reasons And What You Can Do To Change That

Managers often criticise expatriates who take up expensive international assignments for "underperforming" in their host locations. But nobody knows why that is. We don't have data to prove this.

A study by Learnlight shows that four in ten international assignments are a "failure." And yet, the number of overseas projects continues to rise. Global companies are under considerable pressure to determine what makes a successful overseas assignment and understand why they often fail.

Why Is It Challenging To Measure Expatriate Performance?

Since the failure or success of an assignment depends on how expatriates perform on the job, it becomes pertinent to consider how expatriates perform and why it is not easy to measure their performance. I will highlight and elaborate on five reasons why it is challenging to measure expatriate performance in the following points.

- **Define Goals.** Goals for Expatriates are often not clearly defined. They are often conflicting as they have to consider the interests of the home and host company or headquarters and subsidiaries. For example, it becomes difficult to work when expatriates are trying to achieve the home company goals while simultaneously trying to fit in the expectations of the host company. Expatriates would generally perform better if the purposes of the host company aligned with the objectives of the home company
- **Share Responsibility for Expatriates Performances.** Managers had to calibrate performance ratings for years. However, we know that there is an unconscious bias in the data. The first rater is usually a direct manager. This person usually underestimates their own weaknesses and thinks that the expatriates are the sole (or at least the main) responsible for the failure. However, the host country manager often does not help the

expatriates solve dilemmas. Therefore, the direct manager should consider it a responsibility to make it seamless for the expatriates to integrate well into the host country system, networks, and teams

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- **Allow for Team Performance.** Cultural concepts of performance are biased. Definitions of "high performance" build on Western values and do not consider team performance. The gig economy will need more vital team collaboration and fewer individual players. In this context, Eastern values and approaches might have an advantage

- **Adapt Management Style or Philosophy to Agile.** Management by objectives is outdated. We need a new conceptual framework of performance. Even in the past, setting annual targets was not always the best method of judging performance (irrespective of expatriates or local). Leaders worldwide consider performance in a new way. We need to adapt our thinking to the age of the knowledge worker and include more recent research on productivity in our thinking. We should abolish time-based performance and work models altogether, and build more flexible delivery models. Include group and team goals into your models
- **Take the Expatriates' Cultural Adaptation into Account.** Expatriates' managers usually lack the informal network and access to the host culture, so it is not surprising if their performance drops in the first year. It is challenging to know how to navigate terrain that you are not familiar with. Also, they are busy adjusting and have a family to integrate into the new life abroad. One might think that we can accelerate the cultural adjustment and then go "back to the normal way of judging performance", but I would advise against such thinking. It takes time to fit into the system and culture of a new location. Hence, the whole process of cultural adjustment takes its toll on expatriates' performance.

Expatriates' Performance and Potential Assessment

Scullion and Collings (2011) describe the performance assessment system at Novartis which will be used as a generic example for global companies. The system "...grades employees on (a) business results (the "what") and (b) values and behaviours (the "how"). While the business results are unique to each business area, the values and behaviours (ten in all) are common across the entire firm". Together with the potential assessment, talents are assessed in a nine-box matrix. (Scullion, Collings, 2011, p. 29).

Basing expatriates' performance solely on business results may not give the overall picture of all that transpires to make an assignment either a success or a failure: there should be a holistic overview of all the processes included in cultural adjustment and family acculturation.

The Term "Expatriates' Failure"

When discussing the success of an international assignment or project, a common way to measure "success" is expatriates' adjustment which, in contradiction to "expatriates failure," is often equalised with completing an assignment for the planned assignment period.

"The authors leave open how long it may take an expatriate to attain the same level of applicability and clarity abroad as at home, stressing that one or two years may not suffice. To reach higher levels, the person may very well have experienced an identity transformation far more profound than passing through a cycle of adjustment". (Hippler, Haslberger, Brewster, 2017, p.85).

"A "comprehensive model of success is missing" and Caligiuri's (1997) suggestion that future studies should clarify what is meant by adjustment, as opposed to performance, indicated the need for definitional and discriminant clarity when examining performance." Care and Donahue (2017, p.107)

Talent management approaches are driven by the US-based ideas about talent identification and definitions and use the "nine-box grid" to select key talents with a bias towards white males.

The author thinks that it is time to revise our ideas about talent identification and management and democratise Global Mobility.

Influence of Psychological Contract on Expatriate Retention

An issue in expatriation is often the lack of clarity around the role after repatriation. A psychological contract exists between the expatriates and the company, but there is no written agreement or clear understanding of the following role or roles in the process. Expectations are not properly managed, and often expatriates are disappointed with their title, pay, or role content in the following role when returning from an assignment.

Two years after repatriation, there are several factors influencing retention significantly:

- Re-entry cultural adjustment
- Role expectation mismatch
- The lack of applicability of the learning from the previous assignment.

The Integration of Global Mobility and Global Talent Management

One of the reasons for this lack of synchronisation is the missing integration

of global mobility and global talent management activities and functions in today's organisations. The concept of Expatriate Return on Investment, suggested by McNulty and Inkson (2013), has theoretical value; however, it has not found practical application.

A Holistic Competency Model Is Needed

We not only need better integration of Talent Management and Global Mobility (hence the term Talent Mobility), but we also need to look at our performance management systems, global competency models, recruiting, and talent identification process in a new light. We finally need to advance HR to an interculturally competent function and reduce the inherent bias in all of our processes, tools, and leaders.

The Global Competency Model, Weinberger (2019)

My Global Competency Model attempts to integrate Eastern and Western mindsets into a model. Our coaching approach builds on Eastern and Western coaching practices and respects the ethics of the International Coaching Federation (ICF). The holistic approach I learned from my coach educator Drs. Boudewijn Vermeulen was further developed by Dr. Eva Kinast into a holistic, body-oriented, and intercultural coaching method. This method focuses on building and maintaining effective trust-based relationships, the body-mind-heart

connection and is inspired by Carl Gustav Jung's psychology theories.

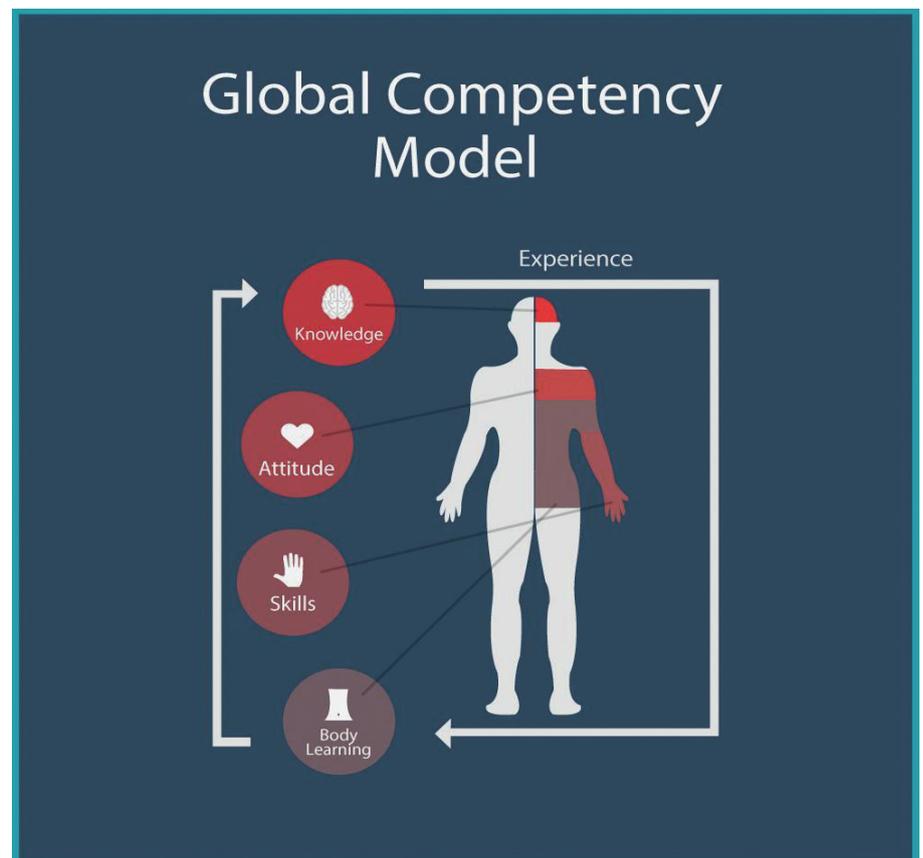
I recommend weekly reflection and regular practices from Eastern mindsets and concepts such as ZEN. In my model, I also integrated body learning. I learned this concept from Dr. Muneo Jay Yoshikawa in a course on Eastern Mindscapes (back in 2005 at the Summer Institute of Intercultural Communication in Portland, Oregon). Reflected experiences are based on the single-loop and double-loop learning theory of Argyris and Schoen. Another essential component of my model is experiential learning. I first learned about it from Thiago about 20 years ago, and have continued to apply it to all of my programmes.

Trust and Relationships Are Collaboration Glue

In almost every coaching session right now, leaders talk to me about the need to improve their trust-building skills (also in a virtual setting) and relationships. Relationships, in my view, are the glue to working well together in monocultural as well as multicultural environments. Collaboration (as opposed to Cooperation) requires a higher level of trust among project team members. Agile needs it. Diversity, Equity, and Inclusion demand it.

What Does This Mean for Global Mobility?

"Better alignment between global mobility and companies' global talent agenda is a precondition for making mobility truly strategic



and helping companies achieve a significant return on investment with their international assignments.” - Olivier Meier, Mercer.

- Widen the Scope of Global Mobility. Include international hires, cross-border commuters, international transfers, lifestyle assignments, global digital nomads, and other groups of internationally mobile professionals
- Review All Processes to Reduce Bias and White Supremacy. Your mission as a leader should be to reduce bias and white supremacy in all performance and promotion processes. Help us create a world where everyone has a chance and invite to the table those who are often overlooked
- Define Assignment Objectives Upfront and Track Progress Throughout the Assignment. You must ensure that not only the home company or headquarters have clear-cut objectives for the expatriates but also that the host company's objectives are in sync and align with that of the headquarters. Coach the expatriates or send them to me for coaching. Help them be a success rather than a failure

Better alignment between global mobility and companies' global talent agenda is a precondition for making mobility truly strategic and helping companies achieve a significant return on investment with their international assignments

- Improve Productivity by Addressing Development Areas Such as Communication, Process, and Cultural Barriers. Identify key problem areas. Often, expatriates complain about the loss of connection to the home company. Nobody from the headquarters or home company is interested in how they fare in the new environment. If expatriates feel deserted, it could adversely affect their performance output. Proffering viable solutions to the pain points of expatriates, such as cultural roadblocks, would help improve expatriates' performance. Finally, give them the vocabulary to speak about their blockers and send them to intercultural awareness training
- Help Coordinate Annual Talent Reviews of All Expatriates. Reviews like this allow expatriates to express their perception of the international assignment
- Increase the Expatriates' Self-Awareness. Let them learn about themselves. We use the IDI (Intercultural Development Inventory) and ICBI™ (Individual Cultural Blueprint Indicator) for self-awareness assessment. The outcomes can be a great conversation starter in a coaching session.

We still have a lot to do to enhance Expatriate Performance. However, the chances are that with the democratisation of Global Mobility, we will also see globally aligned performance systems that focus less on individual performance and more on team collaboration and success.

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After having been an intercultural trainer since 2005, Weinberger has been certified as an "Intercultural Coach" by Dr. Eva Kinast, Munich Germany in 2010. She regularly updates her knowledge, expertise and skills in further education and has a decade of experience as an Executive Coach, Trainer and Consultant. She is a guest lecturer at various academic institutions and teaches "Global Mobility" and "Intercultural Competencies and Managing Diversity and Inclusion" in Germany, Holland, France and Switzerland. Angie Weinberger is on a mission to bring the human touch back into Global Mobility. E: angela@globalpeopletransitions.com www.globalpeopletransitions.com T: +41 791922877