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#### Citation

Singapore Management University. Expat assignments: How to help executives prosper. (2016).  
Available at: <https://ink.library.smu.edu.sg/pers/190>

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# EXPAT ASSIGNMENTS: HOW TO HELP EXECUTIVES PROSPER

Published:  
26 Feb 2016



*A candidate's desire to mix with the locals, and good job design is crucial*

In a [2013 study by financial consultancy Finaccord](#), there were 50.5 million expatriates worldwide, and that number is expected to top 56.8 million by 2017. Although only one percent were described as “corporate transferees” – the kinds of expatriate that cost international companies millions of dollars in rent and international school fees – globalisation can only mean one thing: these expensive international assignments are only likely to become more prevalent, economic cycles notwithstanding.

Yet, the hefty outlay does not always achieve the goals of developing an executive or building links between headquarters and subsidiary. [One study reported that less than 60 percent of overseas assignments are judged to be successful](#), with some expatriates prematurely ending their stints.

In his recent research, **Kim Kwanghyun** of Korean Business School found that “cross-cultural motivation and psychological empowerment related positively to initial levels of adjustment”. Cross-cultural motivation is the desire to mix and adapt to the host country’s culture while psychological empowerment is defined by the American Psychological Association as a “cognitive state characterised by a sense of perceived control, perceptions of competence, and internalisation of the goals and objectives of the organisation”.

## CROSS-CULTURE MOTIVATION AND PSYCHOLOGICAL EMPOWERMENT

Cross-cultural motivation, Kim explains, consists of two sub-dimensions.

“Cultural self-efficacy is a person’s belief that they can mix with others from a different culture/background. The other sub-dimension is intrinsic motivation – some people intrinsically enjoy interacting with others from different backgrounds. They find it exciting while others are more reluctant.”

He adds, “Some companies base the decision to send someone out based solely on performance,” Kim observes, pointing out the lack of thought given to a candidate’s psychological suitability. “Some people can’t give socially desirable answers [in interviews for expat assignments]. In such cases, we can use other sources of information such as asking their colleagues or supervisors. You can also use an assessment centre or third party appraisers to gauge their cross-cultural motivation.”

Companies in Kim’s home country South Korea make it explicit that overseas experience is a prerequisite for a senior management role, he says. While most employees understand such a policy, some hesitate to take on such assignments. Kim describes how some companies send potential expat candidates on short-term assignments to get them used to overseas living.

Another way to help expats adjust to an assignment is to provide what Kim calls “challenge stressors” – concrete, achievable targets.

“Companies should provide more challenge stressors for development purposes,” says Kim, who spoke at the recent SMU Social Sciences and Humanities Seminar “*Managing Expatriates on International Assignment*”. “We find that expats with high challenge stressors can sustain higher levels to adaptation. The managers in the host country should keep that in mind by giving the expat more challenge stressors and less hindrance stressors such as low job security and conflicts with colleagues.

He adds, “Job design is important. Too many challenge stressors might overwhelm the expat. A certain level is good – by overcoming these stressors, they can develop and feel they’ve grown up.”

Therefore, the implications for management are: Companies should select employees who are high on cross-culture motivation and psychological empowerment. But in the host country, the local managers should keep helping the expat sustain high adaptation and performance by giving them appropriate but not overwhelming challenge stressors.

## THE FUTURE OF EXPAT CULTURE

Given the current global economic volatility and the cost of expat assignments – Kim’s research puts it at around US\$1 million over a three-year period – will there be less expats traversing the globe going forward?

“The number of expats won’t be reduced dramatically,” Kim opines. “Many companies try to develop local talent by inviting local managers to spend a few years at HQ, hoping that these managers learn the business practices and bring them back to the local subsidiaries.

“That has not been successful up to now. These managers display desirable attitudes and behaviour while at HQ because they have lots of social influence there. Once they are back at the local subsidiary, it becomes difficult to transfer what they’ve learnt at HQ. Therefore, in my view, the number of expats are unlikely to fall drastically over the next five to 10 years.”

He concludes, “To overcome that, perhaps companies might get a group of five or six local managers to train at HQ and then send them back as a group so they can influence each other to practice what they’ve learnt.”