

Overseas Assignments: A Team Approach to Selecting the Right Candidate

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With an increasingly global workforce, organizations need to move people in and out of foreign assignments as smoothly as possible. Doing that job well is critical for the individual, the team, and the organization. Business success requires an integrated process of selecting, preparing, supporting, and managing re-entry from overseas assignments. This article focuses on the first stage of this process – selecting the right candidate – and provides practical suggestions for making this critical phase a step in the right direction.

Failed Assignments Are, Unfortunately, Common and Costly

The two biggest challenges involved in international assignments from a managerial perspective are:

1. Premature return of executives due to failed assignments and
2. Poor retention of returned executives due to failed repatriation

Estimates of international assignment failure vary widely, with a mid-range of 20 to 50 percent. Cost estimates range from USD 0.5 to 1.3 million for an assignment of one-to-three years.¹ When an assignment fails, the organization loses its financial investment in salary, training costs, travel, and relocation. A failure affects the organization's performance and capabilities in the international arena and has a disproportionate impact on the executive's sense of self-worth and competence, leading to family turmoil and disappointment.

Poor retention is a hidden cost of poorly planned assignments. "A large number of returning expatriates leave the organization entirely. Several research

findings indicate that 25 percent of employees who complete overseas assignments want to leave their company on return."² One third of the participants in one survey expected to leave their current employer within five years. According to the report, "It is all too common for an employee to become part of the competition's expertise after the company invested substantially in the assignment..."³

Where the Organization and HR Should Start

By instituting sound human resources (HR) policies and processes, an organization can more effectively manage its human resources globally and guard against premature termination of assignments with all the attendant costs. The first step involves a supportive, effective process that will encourage more employees to accept foreign assignments. It is a visible sign that the organization supports such assignments, wants them to succeed, and is committed to becoming a global player.

The point person for this process is usually the HR manager. By expanding the capacity to manage these assignments, the head of HR has a great opportunity for organizational leadership. The key to success is planning and preparation, and the first hurdle is selecting the right candidate.

Fewer than 48 percent of companies recently surveyed had a formal selection process in place.⁴ A survey of expatriate executives conducted by Cigna International, the National Foreign Trade Council, and World@Work found that only 20 percent rated their company's preparation as good. The consequence of poor preparation is risk of failure. (See sidebar, "The Risk of Failure.") Consequently, a sound selection and preparation process might prevent premature termination, which has negative

¹ Stephen Taub, May 23, 2002, CFO.com.

² Janet Chew, "Managing MNC Expatriates through Crises," *Research and Practice in Human Resource Management*, 12(2), 1-30, 2004.

³ Robert L. Minter, "Preparation of Expatriates For Global Assignments: Revisited," 2007 EABR (Business) and ETLC (Teaching) Conference proceedings, Venice, Italy.

⁴ Ibid., Robert L. Minter

repercussions for business, relationships, and the family.

Areas to Evaluate in Selecting Employees for Assignment

When considering potential candidates for an international assignment, consider the following critical areas.

Technical Skills. Whatever the area of competence (e.g., engineering, advertising and marketing, production, technology), the individual must possess the necessary skills. The only person who can evaluate this ability is the manager who is sending this person on a specific assignment in which the skills must match the task at hand.

The Risk of Failure

An executive family's overriding concern was that their 12-year-old child be able to attend a school on a par with the U.S. curriculum, as they planned to return home in a year. Three months into the assignment, they decided the school was not up to their standards and abruptly returned home. The impact was obvious:

- Organizational impact on the facility where he worked
- Work colleagues taking his departure as an affront
- Impact on the employee's promotion prospects
- Personal disappointment for the HR director who had pulled strings to arrange the school admission

Another executive went on assignment with two children under the age of three. When asked to continue world travel while on assignment, he balked. The failure to spell out expectations on both sides was responsible for this poor matching of expectations.

Development/Succession Plan. How does this assignment fit with the individual's development plan? Consider: If the employee needs experience with multiple teams, does this assignment provide it? If the assignee needs to gain broader experience with new products, will it provide that opportunity? If the expatriate has difficulty communicating clearly with others, is the assignment too challenging?

More and more, organizations are using international assignments as preparation for senior-level advancement, a rite of passage to a top organizational position. Global competencies are becoming managerial competencies. How will this particular assignment round out the individual's skill set and suitability for the next potential job? Having an advance discussion of the next position is a way to manage expectations and start a dialog that should continue during the assignment. This step protects against the second risk, whereby executives leave the organization shortly after completion of the tour and organizations fail to capture the tremendous experience acquired by the expatriate.

Leadership Skills. It is to an organization's advantage to establish leadership competencies for executives based on the work to be done, the kind of business in which the company is involved, and the overall organizational culture. An alignment is necessary between the company's leadership competencies and desired leadership competencies for an overseas assignment. Some leadership competencies that are also desirable for international assignments are:

- Intellectual curiosity
- Collaboration
- Team work
- Prudent risk-taking
- Ability to manage change
- Adaptability

Personal Competencies. Traditionally, in the 1980s, companies selected employees for their technical skills. Over the next decade, it became apparent that personal characteristics had a significant impact on the individual's success. Many instruments have been developed to rate candidates on such fac-

tors and help with the selection.⁵ HR is in a good position to assist in evaluating candidates' personal competencies. In a review of several instruments, four areas commonly appear:

1. Emotional stability and resilience (sense of adventure, welcomes challenges, emotional strength in face of adversity)
2. Flexibility and openness
3. Sociability (genuine comfort and interest in getting to know people of different cultures and backgrounds)
4. Personal autonomy (self-reliance, problem-solving abilities)

Although these personality characteristics reflect our core being and are not easily altered, increased self-awareness can help us adapt.

As these instruments have proliferated, there has been a risk of “throwing out the baby with the bathwater.” After all, technical skills are critical to

success and should not be neglected as attention is paid to other personal factors.

Motivation. Experienced expatriates have pointed out that the “right” motivation is critical. Going into a challenging assignment, expatriates must *really* want the assignment as an end in itself, not as a stepping stone to a future promotion. Some poor matches have been made when the individual is motivated more by expectation of a promotion after the assignment than by the assignment itself.

Personal Situational Readiness. When assignments do not succeed, rarely is it a failure of business acumen. Sixty-seven percent fail for personal or family reasons – the spouse did not find meaningful work, a child was unhappy in school, the family became isolated, an important family member left behind was having difficulties, and so on.

Personal situational readiness is a critical area that should be evaluated by a trained outside professional. The confidentiality involved in this process encourages the individual and

Personal Considerations That May Adversely Affect an Assignment

One female executive reported that she was burned out and was using the assignment to reposition herself in a faraway part of the world and seek another job there. During the professional assessment, she identified what she could do to correct the relationship with her company and renewed her commitment.

When faced with the possibility of going overseas, expatriate families have any number of concerns that may cause difficulties, for example:

- A couple has a child age 13 who has just formed a positive peer group. That age is the most difficult time in which to remove young people from their environment.
- An elderly parent needs caregiving.
- The employee just received a medical diagnosis that needs ongoing treatment.
- A child has a pattern of responding to separation with severe anxiety and tantrums. The stress of such a big change ignites family dysfunction even if none was present originally.

⁵To view some instruments, visit www.sietar.de/SIETARproject/Assessments&instruments.html.

family members to be candid about their concerns and personal situation that will affect the proposed assignment. In this “screening in process,” selection is based on technical expertise, followed by supportive coaching to help identify potential “derailers” and create a strategy to address these issues prior to confirming the go-ahead and launching the assignment. The family considers how compatible (or not) their current circumstances are with the assignment. And if not, what does the organization need to put in place to make the assignment a success?

Topics discussed in these meetings would not come up nor be appropriate to discuss with an organizational staff member. The employee or family member may have serious reservations that they cannot share with their manager or HR, but that will have significant impact. (See sidebar, “Personal Considerations That May Adversely Affect an Assignment.”) In addition, a full assessment of the spouse/partner’s plans during the assignment will indicate how realistic they are, and how likely it is that family members will thrive and not be the reason for ending the assignment prematurely.

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Since personal issues have the capacity to derail an assignment, a plan of action will ensure that they will be of minimal distraction overseas.

Since the meeting is confidential, the coach does not make a recommendation to the company. Instead, the outside expert coaches the individual on making the best decision and leaves it up to the employee to inform HR whether or not the assignment is a “go.”

A Team Approach — Get Consensus From All Parties

Much can be done in designing a selection process to guard against premature termination with its substantial costs to the individual, family, and organization, as well as poor retention of returned executives. The most effective selection process is a joint effort among HR, the manager, and an outside professional trained in the “screening in” process. Each partner has a specific role to play, with hand-offs clearly defined. By taking this team approach and working together closely, all parties can select and prepare an individual and family who are equipped, motivated, and prepared for the challenges an overseas assignment will bring.

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