Issues of Effective Repatriation: A Model and Managerial Implications

Avan Jassawalla, State University of New York at Geneseo
Traci Connolly, State University of New York at Geneseo
Lindsay Slojkowski, State University of New York at Geneseo

Basically, I find that companies have three ways of treating expatriates. One is like Ford Motor Company — to develop them in the small company to run the larger company later. In other words, they send them to Argentina or Italy to run a plant, and then bring them back to run a bigger plant in Germany or the U.S. The second is what Texas Instrument does. They have a league of professional experts that go from one foreign assignment to another, very well paid, but no expectation of ever coming home. And (name of the firm) represents the third and the worst kind, where they treat you like a milking cow — they extract what they need from you and let you go out to pasture. Reflections of a repatriated manager interviewed by the authors.¹

These reflections of an expatriate manager identify the unintended yet common frustration and cynicism that result from poorly managed repatriation; i.e., the process by which managers returning from foreign assignments are assimilated into the firm. Our study and the current writings about repatriation show that this manager’s experience is not unique. Sending talented managers on foreign assignments and successfully integrating them upon their return seems to challenge even the more astute human resources (HR) professionals. International businesses reportedly spend upward of $1–2 million per expatriate manager during a four-year period (O’Connor, 2002; Klaff, 2002) only to have 20–50% resign within a year of their return (Black and Gregersen, 1998). Despite the expenses involved, the business literature has paid more attention to selecting and preparing expatriates for foreign assignments than to repatriation. Expatriate managers often return to the home office with a wealth of experiences and perspectives. Yet, poor repatriation processes are blamed for underutilizing talent, losing human capital, and discouraging skilled managers from accepting overseas assignments (Gregersen and Black, 1995). The high levels of dissatisfaction of returning managers and the high attrition rates call into question current ways of utilizing newly acquired skills and perspectives and of realizing returns on investment in human capital.

The challenges that arise upon the return of managers from foreign assignments are well documented (Allen and Alvarez, 1998; Black, 1990; Bonache, Brewster and Suutari, 2001; Gregersen and Black, 1995; Harvey, 1982; Harvey and Fung, 2000). A comprehensive list of action items associated with effective repatriation can be derived from current writings (Poe, 2000; Solomon, 2001). We know, for instance, that training managers before they leave, supporting them while they are abroad, and acclimatizing them upon their return represent useful action steps. Despite knowing what presumably ought to be done, it is not surprising to find that many firms fail to implement these action steps or that the problem with repatriation persists. Descriptive knowledge is insufficient

¹The authors wish to acknowledge Dr. Nader Asgany and the Center for International Business at the State University of New York at Geneseo for support and guidance with this research. We also wish to acknowledge the anonymous reviewer from SAM Advanced Management Journal for helpful comments which led to a stronger manuscript.
because in real life, few firms can take all actions equally well with each returning expatriate. Moreover, not every recommended action is equally expensive, effective, or advisable in all situations. What is sorely needed is analytical information that can inform managers about which actions are more important and which produce the best results in differing circumstances; i.e., the type of information gained by testing models of repatriation in multiple settings. Based on a literature review and an exploratory field study, we take a step toward such analytical knowledge in this article by proposing a model of effective repatriation. Our exploratory research is based on a relatively small sample of firms and managers and aims to inductively derive a model for future testing, versus an attempt to produce widely generalizable results. Aligned with our exploratory intent, our findings and implications are intended to spur further research and stimulate managerial thinking on this topic.

The Study
We studied 11 expatriate assignments in eight firms completed by nine former expatriated managers (some managers had multiple experiences in multiple firms). We interviewed managers and asked them to discuss: (a) the formal repatriation process they experienced, if any, (b) their thoughts and feelings about the process by which they reassimilated into their firms, (c) the stress they experienced and the likely causes, and (d) their recommendations for improved repatriation. We also asked about the nature of their expatriate assignments, the preparation and training they received, and the nature of communication between them and their firms during their foreign assignment.

The managers, eight males and one female, held a range of positions in sales, consulting, and law. Eight interviewees were U.S. expatriates who had worked overseas (U.K., Germany, Australia, Mexico, Hong Kong, China, and Switzerland). One participating manager from the U.K. had recently completed an expatriate assignment in the U.S. The average length of the overseas assignment was three years. Six of the eight firms in our study are Fortune 500 companies, with over half their revenues arising from overseas operations. The sample firms came from a variety of industries including financial services, high-technology manufacturing, and consumer goods.

Each interview lasted 30 to 45 minutes and was tape-recorded, transcribed, and analyzed. The content analysis, based on qualitative research methods prescribed by Taylor and Bogdan (1984), was iterative. Transcripts were revisited several times to confirm the patterns, themes, codes, and typologies we developed.

A Model of Effective Repatriation Processes
We learned that retrofit programs for reassimilating expatriate employees, slapped on at the end of their assignment and upon their return, make for poor repatriation. In firms that manage repatriation effectively, much of what occurs after the managers’ return is planned before they leave – an approach strongly supported in the literature (Poe, 2000). Pre-planning seems necessary because foreign assignments are characterized by high levels of uncertainty and anxiety for expatriates before and during their overseas stay and by frustrations upon their return. For instance, a manager we interviewed noted, “They did not do anything to ease the anxiety of coming back. They assume you are a big boy and you can do it on your own.”

Our model takes a comprehensive view of the key issues indicated by expatriates in our study, since those arising upon their return seem inseparable from those arising before and during their overseas stay. Figure 1, which serves as a guideline for the following discussion, aims to encapsulate our learning and propose a model of effective repatriation processes. It identifies the key action steps taken prior to departure, during the assignment, and upon the return that appear to determine the organizational and individual outcomes. In the following discussion, we identify and discuss each component of our model, based on our exploratory findings.

Prior to departure
The main concerns of managers leaving for foreign assignments relate to the uncertainty and anxiety that shape their perceptions, both those formed when they are abroad, and those that emerge from retrospective evaluations. While the sources of uncertainty and anxiety are multiple, we drew several important themes from our managerial interviews. First, most foreign assignments seem hastily designed, signaling the poorly planned, ad hoc nature of foreign assignments from the expatriate manager’s perspective. Second, poor or a lack of HR planning
seems to leave managers unclear about the details and nuances of their sojourns. There is significant confusion about their tasks and the link between their foreign assignment and career advancement. Experienced expatriates identify three areas that promise to improve the odds of effective repatriation: task clarity, career counseling, and formal policies and guidelines for repatriation.

Task clarity. Managers who say that their repatriation was successful commonly report high levels of clarity about their task assignment, i.e., they are clear about what is expected of them and when, and about how their performance will be evaluated. This linkage is strongly acknowledged in the literature (e.g., Klafl, 2002). Task clarity appears essential for: (a) increasing their focus on task and lessening their anxiety while overseas, (b) creating a sense of accomplishment when their overseas task is completed, and (c) lessening their anxiety upon their return, and easing their transition into the home base. A manager explained, “The expectations were put on paper up front [in terms of] what I needed to do and what was required of me while I was there. And they put together a relocation package in writing which really gave me time to think about all the little things that I wouldn’t have thought about. So, all in all, I had good expectations of what I was getting into.”

On the other hand, unclear task expectations contributed significantly to negative repatriation experiences, as was true for half the managers in the study. Therefore, ensuring high levels of task clarity by (a) communicating performance expectations, including time horizons and deadlines, and (b) explaining performance appraisal criteria emerge as primary steps in effective repatriation processes.

Career counseling. Managers satisfied with their repatriation processes report and that they received formal career counseling that explained
(a) how their overseas assignment fit with the goals of the firm, (b) how their contribution to the foreign assignment made a difference for the firm, (c) how the skills and knowledge acquired from the overseas assignments would translate into career enhancements when they returned, and (d) the kinds of positions they would be offered in the home office depending on their performance overseas. The link between career counseling of this nature and positive repatriation is noted by scholars as well (see Suutari and Brewster, 2001). Quality career counseling appears crucial for the emergence of a big-picture understanding of the manager’s role in the organization. As a result, managers are able to articulate why they were sent on foreign assignments and to define the benefits for the firm and themselves.

Career counseling also appears to signal the value a firm places on its investment in human capital. Managers in our study noted that the positive linkage between their foreign assignment and their career prospects contributed to their focus and motivation. Conversely, the absence of career counseling of this nature seemed to contribute significantly to stress experienced on assignment. Asked how he would like to see repatriation processes improved, a manager noted “I think along with that [annual performance review] there should have been a [discussion of] here is how your career is going.” There should have been a complement to “here is how you did this past year. Over time, here are the kind of things we can look at [you doing upon your return].” There was no discussion of anything beyond the moment. So, I think that they could have done a much better job of preparing us when to come back, and certainly how to come back.

More than half of our sample managers reported lack of clarity about the jobs they would occupy upon their return, a ratio somewhat better than the two-thirds reported by scholars (see Klaff, 2002). A manager explained, “We didn’t actually know what we were doing or where we were going until a few weeks before we returned home, which added a huge element of stress.”

In our sample, more often than not, expatriate managers returned to the position they occupied before they left, or a similar one, and were forced to give up the increased responsibilities and autonomy they had come to enjoy during their stay overseas. Decisions about their duties upon repatriation were left until they were actually home. Three felt that their skills were underutilized upon their return, and, of these, two left the firm within a year in pursuit of new opportunities because of their dissatisfaction with the jobs to which they had returned. The high levels of anxiety from unclear performance expectations, coupled with the anxiety associated with the lack of clarity about their future within the firm, made not just for poor performance overseas but also poor repatriation upon return. Therefore, effective repatriation seems to require high-quality career counseling for expatriates, including explicit clarification of (a) the reasons for sending the manager overseas, (b) the benefits of the overseas assignment to the firm and the manager, and (c) the manager’s career options upon return.

Formalize policies for repatriation. The presence and quality of policy guidelines for foreign assignments seem strongly linked to effectiveness. The literature highlights the benefits of ensuring clarity about repatriation processes, particularly through written guidelines (see Linehan and Scullion, 2002). In addition to lessening managerial anxiety, formal statements that specify the firm’s objectives and resource deployment choices for managing returning expatriates seem to contribute to the confidence with which they leave for and return from foreign assignments. A manager reported, “[What helped was] looking at the policies [for repatriation] and knowing the people who went before me . . . I think the whole idea of a designated HR person who did everything including meetings was a wonderful idea; it’s one stop shopping.”

We propose that effective repatriation requires firms to develop formal policies that govern the pre-visit, visit, and post-visit expectations of expatriates and to which the firm intends to adhere during the re-assimilation process.

- During their stay
The problems that arise during managers’ foreign assignments relate to the feelings of isolation and the loss of connection with the events in the home office. Steps taken to reduce the sense of isolation and increase the sense of connection seem to contribute to effective repatriation. We discuss specific steps taken in this regard.

Perception of support while on assignment.
Managers reporting effective repatriation experiences uniformly recount being supported while
on foreign assignment, referring to their perceptions of their organizations' concern for their transition and adjustment to the new environment. The motivational factors they recount are essentially hygienic; i.e., their presence does not specifically enhance satisfaction, but their absence dramatically increases dissatisfaction and resentment and erodes loyalty (e.g., Herzberg, Mausner, and Snyderman, 1959).

For instance, managers report heightened feelings of loyalty and a greater interest in exerting themselves to fit in upon return when they see clear evidence of support during their overseas stay (e.g., relocation package, financial assistance for spouse and children to aid the adjustment to the foreign environment). Conversely, when expatriates are left to fend for themselves or forced to experience poorly managed processes (e.g., for finding accommodation, ensuring accuracy in personal income tax payments), the level of resentment seems inevitably high. The perception of inadequate support not only heightens their anxiety and diffuses their focus on task but is also construed as a clear signal of the perilous repatriation yet to come. Managers return dissatisfied and expecting resistance, and this defensiveness tends to function as a self-fulfilling prophecy. Therefore, we propose that global firms effectively manage their expatriates' perceptions of support by taking actions that reflect concern for the well-being of the expatriate managers and their families.

*Nature and frequency of communication.*
While the quality and nature of communication clearly matters, managers reporting satisfactory experiences with repatriation cite the importance of frequent communication while they are overseas — not with any one person in the firm but with the home organization as a whole. The literature suggests that communication between expatriates and the home office is important, although under-researched (see Suutari and Brewster, 2001). Frequent visits to the home office significantly contribute to the feelings of connectedness among expatriates (see Klaff, 2002; Poe, 2000). Similarly, the cultivation and maintenance of social networks in the home office is also regarded as highly beneficial (e.g., Barham and Oates, 1991; Linehan and Scullion, 2002).

In addition to reducing feelings of isolation, frequent communication, signals (a) the importance of the overseas assignment to the expatriate manager and the organization, significantly improving the manager’s motivation and morale, (b) the company’s view that they are still part of the organization, and participating in its activities, and (c) the firm’s intention to keep them abreast of any changes in the organization in which they must assimilate upon their return. This builds trust.

Conversely, feelings of isolation and purposelessness seem acute among managers who have fewer, less frequent opportunities to communicate with the home office. They also feel as if they have no participation in or control over the decisions being made in their absence. This perception of being out of touch seems to strongly interfere with their motivation, increases resentment, and raises anxiety about their reassimilation in a changed organization. It also forces managers to rely on rumor and conjecture as they define their expectations and construct their realities about their impending return. A manager explained, “I had to depend on the rumor mill and press releases, [because] there was no formal communication about what was happening back at home.”

Therefore, we propose that global firms deliberately provide opportunities for frequent communication in ways that enable the expatriate to feel sufficiently connected and involved in home office operations.

*• Upon their return*
After a three-to-five year assignment, managers often return to an organization that has undergone significant changes in structure, information and assessment systems, and formal and informal processes. Familiar faces, informal networks, and procedures give way to new rules and power structures (see Forster, 2000). Social issues are a source of anxiety, but they pale in comparison to the issues related to receiving credit for the foreign assignment, using their newly acquired skills, and having a choice of assignments upon their return. For instance, two of the nine repatriated managers left their firms within a year emphasizing that their reasons for doing so were related to the poor use of the knowledge and skills they had acquired overseas. Moreover, those who stayed despite complaints about poor planning and preparation for the foreign assignment — overwhelmingly reported that they were placed in jobs that made use of the knowledge gained from their foreign assignments. What appears to make a difference

---

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
upon return is the quality of interaction with sponsors and the perceptions of organizational support.

Quality of interactions with sponsors. Managers reporting satisfactory repatriation processes commonly identified a sponsor as an important contributor to their positive experience. Based on managerial voices, we define a sponsor as a person who has more formal authority than the manager, who has a personal stake in the success of the foreign assignment, and who is vested in the career growth of the returning expatriate. Our data-derived notion of sponsor, therefore, differs somewhat from the literature’s notion of a mentor who is a person providing information and answers to practical questions, but who is not necessarily vested personally and emotionally in the success of the returning manager and is not accountable to superiors for the success of the assignment and the returning expatriate (Linehan and Scullion, 2002; Klaff, 2002).

Among other things, sponsors serve as confidantes and advocates, scout for opportunities that managers can pursue within the firm upon their return, keep the expatriate manager in the consciousness of key decision-makers in the home office, and invest their personal time and energy to make sure the returning manager’s skills are used by the firm. Sponsors play decisive roles in reducing conflicts and solving problems while the manager is on foreign assignment and particularly upon their return. A manager satisfied with his repatriation described the role of his sponsor as follows:

My company’s repatriation policy was such that there was a lot of flexibility built into it. You were assigned someone who was on the receiving end back in the [United] States — kind of your dedicated HR person who did everything from soup to nuts for you. When you found out you were coming back to the States [he] did everything from finding movers, to setting up appointments for you with your new boss, your new peers, arranging social events for you in the new areas you were working in back in the States.

On the other hand, unsatisfactory repatriation processes are uniformly devoid of sponsors in our data-derived sense of the term. This seemed to strongly contribute to a sense of frustration managers experienced upon their return. One manager said, “A [sponsor] certainly would have been helpful...I understand that a high percentage of expats leave the firm, and I think that could be reduced by somebody making sure they are utilizing skills and not stuck back in the same old job...a [sponsor] would assist in delivering this.”

We therefore propose that global firms can take meaningful steps towards effective repatriation by assigning each expatriate manager a high-quality sponsor who acts as the contact person and has a stake in the success of the overseas assignment as well as in the expatriate’s personal well-being and long-term career.

Perception of support upon return. Managers often feel highly valued during foreign assignments, which produces effective responses. They tend to enjoy greater autonomy overseas and are the focus of attention. Upon return, most miss the autonomy, attention, lifestyle, and monetary benefits, and face difficulty adjusting to a new work environment with new players.

Hence, their perception of the support they receive upon return tends to be a fairly complex concept, representing an amalgam of issues related to (a) receiving credit and recognition for the foreign assignment, (b) choosing new assignments in the home office, (c) utilizing their new perspectives in their new jobs, (d) adjusting to the positive or negative differences in job-related autonomy and responsibilities of their new job versus their foreign assignment, and (e) using the resources, if any, allocated for training and other processes designed to reorient the manager to the organization, and for relocation in the home country. Therefore, we propose that the firm provide support to expatriates upon their return in terms of placing them in a new position that indicates the firm values them as much as they were valued overseas.

- Outcomes
Effective utilization of skills developed overseas, enhancement of human and intellectual capital, improved return on investment in skills and talents, higher retention and loyalty, and enhanced reputation for the firm in general are some of the outcomes of effective repatriation. For expatriate managers, effective repatriation is associated with significantly reduced anxiety and uncertainty, greater career satisfaction, and greater feelings of cohesion and belonging to the firm.
• Implications
Our study highlights the importance of understanding effective repatriation from a holistic, foreign assignment context. It also highlights the benefits of effective repatriation and the dire consequences of neglect. The key issues with expatriation and repatriation relate to how firms manage the anxiety, disconnectedness, and uncertainty that managers experience when going to work overseas as well as upon their return. Given our small sample size, we do not recommend generalizing our findings to other settings. Rather, our model represents one step toward understanding how these career-related issues are managed in the expatriation-repatriation context. Based on our exploratory study, we propose additional implications to stimulate new thinking and motivate further research on developing effective repatriation processes.

Intellectual development. One of the clear externalities of foreign assignments relates to the intellectual growth that becomes part of managers’ experiences. Interestingly, those reporting dissatisfaction with their repatriation seem to attribute most of their problems to the firm and its poor planning, policies, and procedures. Whether satisfied with their repatriation process or not, all view their foreign experiences positively, as contributing to their personal growth. A manager otherwise dissatisfied with the repatriation notes, “On a personal level, what I gained definitely exceeded my expectations. As far as my expectations with the company, they could have been better . . . we had to manage things ourselves and make it work for ourselves.”

Overseas assignments represent a powerful vehicle for creating personal growth and are worth the attention of firms interested in fostering higher levels of job enrichment. There are clear opportunities for fresh thinking about the expatriation-intellectual growth linkage and for fresh assessment of the costs and benefits of foreign assignments from a purely human resource development perspective.

Poor HR planning. Planning for repatriation, in general, was low among the sampled firms, and managerial voices are rich with examples of poor HR planning. A manager reports:

It [repatriation planning] was the weakest link in the chain. I returned as expected, walked into my boss’s office and said, “I’m back!” And he says, “Oh? You’re back? . . . Why don’t you sit in so and so’s chair because he is out traveling this week, and we’ll see if we can find you something to do.” It was negative in that I was gone, doing a good job, [but] out of cycle completely. Politically, jobs had changed here [but] you were kept out of the loop.

Questions about why firms fail to plan for managers’ professional development while assigned overseas and for the position in which their talents will be best utilized upon their return arise frequently during data analysis. Explanations vary with the extent of the firm’s involvement in foreign markets. In firms where international business represents a minor part of revenues, explanations for ad hoc foreign assignments and poor planning are easy to understand. While these firms know better, they are less likely to conduct formal HR planning with an eye toward effective repatriation until they begin to define foreign assignments as the core determinant of long-term profits and survival, and to view foreign assignments as a crucial part of the development of its managers. However, six of the eight firms in our sample are Fortune 500 firms, and over half of their revenues originates overseas. The scale of foreign operations cannot explain poor planning for repatriates. In this regard, it appears that the impact of poor repatriation is not measured and its cost is not assessed. Worse, the consequences of poor planning and the costs of attrition are not felt by the planners but by those line managers who depend on repatriates. The separation — both spatial and conceptual — of planners and implementers appears to contribute to persisting problems with repatriation.

Management of expectations. As the literature indicates, we also find firms spending far more on preparing managers for their foreign assignment than on reasimilation upon their return. We concur, therefore, with the literature’s calls for more balanced investment (see Brewster and Pickard, 1994; Paik, Segaud, and Malinowski, 2002). There are two problems, however, with this line of thinking. First, the literature fails to explain why two repatriates in the same firm can have dramatically different experiences (we included two sets of managers from the same two firms). Second, the literature neglects potential discrepancies in the expectations of repatriated managers that challenge re-assimilation. In a similar vein, the literature likely overestimates the added worth of a returning expatriate and underestimates the nuisance value of employees
returning from foreign assignments with a sense of entitlement.

For instance, the repatriates we studied strongly believed that they had gained considerable experience and skills that ought to be valued and employed by the firm, should have a significant say in their choice of assignments, and should see evidence that the firm values their contribution and newly gained wisdom and is willing to reward them. In large part, this emerges from the multiple opportunities for feeling they are specially valued by the firm. First, repatriates feel valued because they were selected to represent the firm and because the firm invested significantly in their training and support while overseas. Second, the feeling of being special and valued is reinforced by the firm’s concern for their professional and personal well-being (e.g., their exclusive access to relocation packages, additional monetary allowances and per diems, financial support for spouse and children). Third, expatriates also appear to receive much attention while posted overseas; many enjoy and become accustomed to the special status of the firm’s international emissary. In some cases, their expectations seem more aligned to the stuff of mythical war heroes returning to grateful and benevolent kings than to the reality of political organizations in which gratitude is fleeting, entitlement is a bad word, and people are not enthralled with long-winded expatriates. Moreover, the Internet, discount travel, proliferating English language, videoconferencing, and falling long distance telephone rates has removed the mystique of foreign travel and contributed to the indifference. Conversely, the rather notable neglect of returning expatriates by the organization rightly fuels feelings of exploitation among employees. Our study is aimed at stimulating new thinking by HR managers of global firms. While firms should undertake better and earlier HR planning for repatriation, both firms and repatriates are well advised to manage their expectations and operate from common perspectives about foreign assignments.

Conclusion

Our exploratory study of expatriate managers reveals a host of specific issues that collectively affect repatriation. These issues relate not only to the firms’ actions on the managers’ return from overseas but also to actions prior to departure and during their stay abroad. Based on managerial interviews and a review of the literature, we propose a model of effective repatriation and managerial implications. Given the small sample size, we caution against generalizing of our findings and instead urge future research and testing of our proposed model.

Dr. Jassawalla, who teaches organizational behavior and human resource management, researches managing new product development processes, cross-functional teamwork, and international human resource management. She has published in several journals. Ms. Connelly and Ms. Stojkowska are recent graduates of the Jones School of Business where they were enrolled in an advanced seminar in human resource management, working jointly on this project. Both are pursuing MBA degrees.

REFERENCES


Klaff, L. G. (2002). The right way to bring expats home. Workforce, 81(7), 40–44.

number of defects waste, decreases product development time, increases quality, and helps standardize software development within a firm. However, to utilize lean principles to their full potential, companies must undergo a difficult and time-consuming transformation process. Some lean initiatives are destined to fail. The success of implementing lean in software development depends on a company’s internal processes, social structure, physical environment, and a reexamination of its mission with lean principles in mind. Upon successful implementation, object-oriented software development will uncover its true potential of producing reusable objects as well as high-quality, low-cost applications that exceed customer expectations.

Dr. Cook, Professor, speaker, author, and consultant, has made over 60 conference presentations and published numerous journal articles. His areas of expertise include electronic commerce, information systems, and production/operations management. Victoria Semouchchak is completing her Bachelor of Science in Management Information Systems and working as an intern in VeriSign’s Engineering Department.

REFERENCES