

**Preparing managers for international assignments:
The effectiveness of cross-cultural training practices**

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As more and more firms are globalizing their operations, the demand for expatriate managers who can manage effectively in a foreign environment continues to increase (Katz and Seifer, 1996). The high costs, risks and challenges associated with expatriation and the negative consequences of having ineffective expatriates underscore the vital importance of having an effective expatriation program that will prepare, support and facilitate the expatriates' mission before, during and after the assignment. Cross-cultural training constitutes one of the topics of interest and is a fundamental part of a sound expatriation program.

The objective of this paper is to assess the effectiveness of cross-cultural training practices that are considered as an integral part of an expatriation program. We will try to determine which components of a cross-cultural training program are associated with higher expatriate adaptation and/or work performance.

Evaluating cross-cultural training practices

The object of a good cross-cultural training program should be implemented to facilitate one's ability to function and work in a foreign setting (Tung, 1981). This dimension will be introduced via arguments for why cross-cultural training is important for expatriates and family, and why statistics showed that it is not a widespread practice among MNCs despite its importance. The two components of this dimension, and their expected relations with expatriate adaptation and performance will be described in turn. The two components include the comprehensiveness of cross-cultural training for expatriate and cross-cultural training for their accompanying families.

Importance of cross-cultural training for expatriates

Cross-cultural training is important and necessary for many reasons. One, it will help to facilitate anticipatory adjustment which will consequently facilitate actual adjustment (Fisher, 1986). Based on a study of 80 U.S. managers who were sent to Seoul, Korea for a three-month assignment, Earley (1987) found that culture or sensitivity training helped to reduce the expatriate's perception of the difficulty associated with the adjustment to the host culture. This reduced difficulty perception was found to be related to higher work performance. The finding makes sense as culture training will provide one with a more specific idea of what can be expected from the host culture and perhaps even dispel any misconceptions that one may have of it. Consequently, it will allow expatriates to make more accurate anticipatory adjustments. The knowledge gained will also reduce one's fear and apprehension of the unknown and ameliorate one's feeling that it is going to be very difficult to adapt to the new culture. This will bolster one's confidence in one's ability to cope with the new culture. Two, it will provide expatriates with the relevant and appropriate cognitive or schematic frameworks which they can use to more effectively process information and make sense of situations in the new environment (McDonald, 1993). Three, business dealings, negotiations, and relationships may be damaged by the lack of cross-cultural awareness (Solomon, 1994, Hogan and Goodson, 1990). Four, various studies confirmed that

intercultural problems are the main causes of ineffective managerial performance (Brislin, 1981; Dinges, 1983; Kealy and Ruben, 1983; Tung, 1982; Redding and Porter, 1993). Five, past studies found positive relations between cross-cultural training and expatriate adjustment and performance (Black and Mendenhall, 1990; Black, Mendenhall and Oddou, 1991). Six, the lack of the host cultural understanding may cause well-intentioned activities or gestures, displayed by the expatriates, to offend the receiving host country national party (Tung, 1986). Seven, companies by not offering cross-cultural training to expatriates may give the latter an impression that there is no significant differences between the home and the host culture; hence, no need to tailor their behavior or management styles to that of the host culture (Black and Porter, 1990).

Statistics on Expatriate cross-cultural training

The literature reported that the administration of cross-cultural training program to expatriates is not a widespread practice among MNCs. MNCs offering cross-cultural training for their expatriates are: a) 25% (Baliga and Bakar, 1985), b) 32 to 33% (Tung, 1981; Mendenhall and Oddou, 1991); c) 44% (Dunbar and Ehrlich, 1986); and d) 56-58% (Dunbar and Ehrlich, 1986; Solomon, 1994). If cross-cultural training is indeed important, why are not most, if not all, companies offering it?

There is a litany of reasons, cited in the literature, as to why this is the case: a) disbelief in its effectiveness (Mendenhall and Oddou, 1985; Tung, 1981; Bakar and Ivancevich, 1971; Schnapper, 1973; Schwind, 1985; Zeira, 1975; Mendenhall and Oddou, 1987); b) dissatisfaction with the training programs offered (Mendenhall and Oddou, 1985; Brislin, 1981; Schnapper, 1973; Zeira, 1975; Mendenhall and Oddou, 1987); c) insufficient pre-departure preparation time did not allow for it (Mendenhall and Oddou, 1985; Tung, 1981; Bakar and Ivancevich, 1971; Schnapper, 1973; Schwind, 1985; Zeira, 1975; Mendenhall and Oddou, 1987); d) the relatively brief duration of expatriate assignments could not justify the high costs of such programs (Tung, 1981; Schwind, 1985); e) top management perceived such training to be unnecessary (Oddou, 1991; Runzheimer, 1984); and f) many MNCs are reluctant or slow to invest resources in cross-cultural training programs as returns on such investments are not quantifiable (Harvey, 1983).

This current study will attempt to examine if a cross-cultural program has a positive impact on expatriate adaptation and work performance. The cross-cultural training dimension in this study is made up of two factors: a) comprehensiveness of a cross-cultural training program for expatriates; and b) the inclusion of the accompanying family in the cross-cultural training.

Comprehensiveness of the cross-cultural training for expatriates

A cross-cultural training program is only useful to the extent that it is sufficiently thorough. That is, it should provide the expatriates with most, if not all, of the cognitive schemas that they need in order to be able to interpret and function effectively in the new culture. Scholars claimed that many U.S. companies generally do not provide comprehensive cross-cultural training programs for their

expatriates (Mendenhall and Oddou, 1985; Tung, 1981; Briscoe, 1995; Schwind, 1985). In the study, the following cross-cultural items will be used to define and measure the comprehensiveness of the cross-cultural training that the expatriates have been exposed to:

- A. Managing culture shock:
- B. Managing lifestyle changes
- C. How to deal effectively with the government
- D. Host country religious environment
- E. Host country laws
- F. Major differences between the home and the host cultures
- G. Training on how to avoid and deal with areas that have led to cultural clashes in the past
- H. Typical patterns of adjustment experienced by expatriates
- I. Cross-cultural tips on how to work and relate with the local nationals

Cross-cultural training and support for the accompanying family

Cross-cultural training and support for the family are important for the following reasons: Expatriate success is much dependent on the accompanying family's ability to adjust (Harvey, 1985). Because the family is the expatriate's natural support system (Harvey, 1983), expatriate adjustment, and his/her work performance, will, to a large extent, be a function of the espousal and family adjustment. A significant positive relation between the family's adjustment and the expatriate's general adjustment was found in Black's (1988) study. It was revealed in Tung's (1987) study that the number one cause of expatriate failure among U.S. MNCs is the inability of the spouse to adjust to the new location. Many other studies also highlighted the importance of espousal adjustment in relation to expatriate success (Stone, 1991; Harvey, 1985). In fact, many practitioners viewed family adjustment to be the single most important elements in the relocation adjustment equation (Engen, 1995).

Methodology

The data for the present study was obtained between June and September 1996 from 236 international managers working for major US MNCs in Asian countries. The respondents' mean age is 43. Men are predominant in the population studied and account for 91%. The great majority of respondents live with a spouse (86%) and 49% have at least one accompanying child on assignment. The mean tenure with the company is 16 years. Most international managers have been twice on foreign assignment. They spent an average of four years abroad and experienced an average of one year on the current assignment.

A list of adaptation measures was developed based on a literature review (Chua, 1997). The scales used to measure the international managers' adaptation to the foreign assignment consist each of a five-point Likert-type format rating the need for improvement of each of the various adaptation indicators. Eleven cross-cultural training practices identified in the literature as effective practices to develop international managers were included in the analysis. The respondents had to indicate whether the practices existed

or not. Demographic variables were measured mostly by direct questions.

Results

In this section, we first present the results of the factor analyses used to identify the dimensions of adaptation. The adaptation measures scores were created by adding up and averaging the dimensional scores within each category. Next, using bivariate analysis, we explore cross-cultural training practices that have an impact on the eight expatriate adaptation measures (Table II). Finally, we comment the regression analyses conducted on the same adaptation measures after controlling for the demographic variables to identify the cross-cultural practices perceived by international managers as effective practices, inasmuch they are able to enhance the various adaptation levels (Table IV).

Adaptation dimensions

The nine expatriate adaptation dimensions are reported in Table I as well as their correlations with work performance. The alpha of Cronbach for the adaptation measures is acceptable and ranges from 0.60 to 0.85. From the nine adaptation measures, the interest in local culture not being significantly correlated with expatriate work performance was dropped from the analysis. The findings in Table I indicate that all adaptation measures but one are correlated with work performance. The expatriate managers seem to be satisfied with their assignments, can work effectively in teams and have developed a fairly interest in the local culture. However, they show fairly feelings of depression.

Table I

Descriptive statistics on adaptation dimensions and correlations with work performance

EXPATRIATE ADAPTATION DIMENSIONS	of Cronbach	Mean	Std. Deviation	Correlations with Work performance
Ability to develop interpersonal relationships with local nationals	.85	3.72	.77	.256***
Work effectively in teams	.74	4.11	.62	.310***
Feeling of depression	.68	2.41	.82	-.200**
Satisfaction with international assignment	.72	4.11	1.00	.172**
Interest in the local culture	.63	4.16	.79	.054
Knowledge of host country operations	.67	3.77	.75	.365***
Ability to communicate effectively with local nationals	.65	4.02	.57	.370***
Ability to cope with stress	.71	4.02	.74	.352***
Ability to train effectively local nationals	.60	3.95	.58	.219***

***p<0.001, **p<0.01, * p<0.1

The impact of cross-cultural training practices on expatriate adaptation measures

As suggested by the results in Table II, eight cross-cultural training practices out of nine have a positive impact on the ability of expatriate managers to develop interpersonal relationships. However, providing the expatriate managers with typical pattern of adjustment in the host country is negatively associated with the ability to develop interpersonal relationships. Working in teams is enhanced by training on local laws and by providing expatriate managers with training on typical pattern of adjustment in the host country. Five cross-cultural training practices out of nine can reduce the feelings of depression. Learning on how to deal with the local government and about the host country laws enhances the satisfaction with the international assignment. Expatriate managers who have previously be trained on dealing with the local government, have a good knowledge of the host country laws, have received training on how to deal with cultural clashes and cultural tips are more adapted to the local operations. The ability to communicate is enhanced by the same four practices and also by training on the host country religious environment. It is interesting to note that expatriate managers that are aware of the host country religious environment, legal system and government functioning are more able to cope with stress. Finally, expatriate managers that develop higher abilities to train local nationals are those who have been administered seven out of nine cross-cultural training practices.

Table II.

The impact of cross-cultural training practices on expatriate adaptation measures

		Develop interpersonal relationships	Work in teams	Feeling of depression	Satisfaction with international assignment	Knowledge of host country operations	Ability to communicate	Ability to cope with stress	Ability to train local nationals
EXPATRIATE CROSS-CULTURAL TRAINING PRACTICES		T-Test statistics							
A	Managing culture shock	2.541**							2.908**
B	Managing lifestyle changes due to relocation	1.988*		-1.688*					1.951*
C	Dealing with <i>host</i> country government	4.145***			2.085**	3.691***	1.491*	3.474***	2.175**
D	Host country religious environment	2.239**		-1.520*			2.049*	1.890*	
E	Host country laws	3.475***	2.309*	-1.938*	2.199*	2.659**	3.106**	1.750*	2.427**
F	Major differences between cultures	2.243**		-1.398*					
G	Training on how to deal with cultural clashes	3.300***		-1.658*		2.134*	2.205*		2.838***
H	Pattern of adjustment of expats in <i>host</i> country	-1.947*	1.720*						1.951*
I	Cross-culture tips	2.873**				1.807*	2.751**		2.619**
FAMILY CROSS-CULTURAL TRAINING PRACTICES		T-Test statistics							
J	Cross-cultural training for your spouse			1.766*				-1.329*	2.110*
K	Cross-cultural training for your children			2.147*					

***p<0.001, **p<0.01, * p<0.1

In the case of family cross-cultural training practices (Table I), they surprisingly add to the expatriate

managers= feelings of depression probably because he/she fears that family members by failing to adapt to the new culture . The cross-cultural training for the spouse is also negatively correlated to the ability to cope with stress but positively impacts the ability to train local nationals. A plausible explanation is the fact that the social interactions with local nationals can be encouraged when the spouse is aware of the cultural differences between the two countries.

Multivariate Analysis

What happens to cross-cultural training effectiveness in enhancing the expatriate adaptation after controlling for demographic characteristics?. The findings in Table III indicate that demographic characteristics always account for a large proportion in explaining the variance in the different adaptation measures except for one which is the satisfaction with the international assignment. However, the cross-cultural training practices were able to explain an additional proportion of the variance ranging from 3.0% to 9.2%. It is noteworthy to mention that age is positively associated with the capacity to develop interpersonal relationships with local nationals and with the ability to train them. Gender has a positive impact on two adaptation measures. Women seem to acquire a better understanding of the host country operations and have a greater ability to communicate than their male counterparts. A higher level of education is associated with a higher ability to work in teams and to communicate with local nationals. Expatriate managers with higher management positions in the host country have acquired a better knowledge of the host country operations, a higher ability to cope with stress and to train local nationals. Conversely, tenure with company is negatively correlated with three adaptation measures. As expected, expatriate managers who have been on numerous international assignment develop better communication ability with local nationals. Also, those who have had more international experience can develop better interpersonal relationships, can better cope with stress and have a better knowledge of the host country operations. Also of note is the fact that a longer international assignment can enhance the expatriate managers= feelings of depression but has a positive effect on the ability to train local nationals. When expatriate managers are well aware that the main purpose of the assignment is knowledge transfer they develop a better ability to train local nationals. Expatriate managers are less depressed when the purpose of their assignment is management development. Frequency of interactions with local nationals is positively and significantly associated with four adaptation measures. The international assignment's location accounts for some variance in five cases. The results show that expatriate managers are more depressed when assigned to a business unit in China. They better succeed in training local nationals in Thailand. They show some difficulty in acquiring knowledge of the host country operations, in training local nationals and in coping with stress when assigned to the Philippines.

Finally, as regards cross-cultural training practices, a wide range of practices continue to have a significant and positive impact on the various adaptation measures. However, it should be noted that the effect of several cross-cultural training practices becomes negative after controlling for demographic variables.

Table III.

Regression analysis controlling for demographic characteristics

		Develop interpersonal relationships	Work in teams	Feeling of depression	Satisfaction with international assignment	Knowledge of host country operations	Ability to communicate	Ability to cope with stress	Ability to train local nationals
		Beta							
DEMOGRAPHIC CHARACTERISTICS									
	Age	.147*							.162**
	Gender					.100*		.143*	
	Highest education level completed		.103*				.125*		
	Current management position in host country					-.219***		-.227***	-.126*
	Tenure with company	-.154*				-.136*	-.120*		
	Number of times on expatriate assignments						.197**		
	Years spent on expatriate assignments	.185**				.137*		.134*	
	Expected total duration of current assignment			.148*					.116*
	Purpose of assignment is knowledge transfer								.193**
	Purpose of assignment is career development								
	Purpose of assignment is mgmt. development			-.114*					
	Frequency of interactions with local nationals	.173**	.100*				.192**		.128*
	Singapore								
	China			.243**					
	South Korea								
	Thailand								.112*
	Philippines						-.138*	-.150*	-.166**
	Indonesia								
	R ²	.156	.095	.119	NS	.139	.133	.173	.203
CROSS-CULTURAL TRAINING PRACTICES									
A	Managing culture shock			.267**					
B	Managing lifestyle changes due to relocation			-.245**		-.213**			
C	Dealing with <i>host</i> country government	.126*				.157*	-.151*	.164**	
D	Host country religious environment								
E	Host country laws		.222**			.179*	.242**		
F	Major differences between cultures		-.169*			-.184*	-.194*		
G	Training on how to deal with cultural clashes	.157*				.218**			.168**
H	Pattern of adjustment of expats in <i>host</i> country			-.155*					
I	Cross-culture tips		.117*				.232**		
	R ²	.084	.077	.046	NS	.092	.086	.030	.048
	Total R ²	.240	.172	.165	NS	.231	.219	.203	.251

		Develop interpersonal relationships	Work in teams	Feeling of depression	Satisfaction with international assignment	Knowledge of host country operations	Ability to communicate	Ability to cope with stress	Ability to train local nationals
	F	2.271***	1.427*	1.420*	1.137	2.028**	1.930**	1.832**	2.268***

*** p<0.001, **p<0.01, *p<0.1

This negative effect can be simply explained by the fact that a previous international experience, frequent interactions with local nationals and a higher education level can provide the expatriate with knowledge of cultural differences between countries and therefore can compensate for the bearing of some of the cross-cultural training practices.

Discussion

It is necessary to keep in mind that the main purpose of cross-cultural training should not be to make the expatriates completely change their cultural orientation to that of the host country. Rather the object of the training should be to educate the expatriates on the differences as well as the new and unique aspects of the host culture; consequently, heighten their sensitivity towards them. The increased knowledge and sensitivity will enable them to navigate more cautiously and effectively in their work and daily life.

Bivariate analysis revealed the importance of training expatriate managers on the host country laws. The latter was positively correlated to all aspects of expatriate adaptation. Understanding the local government functioning is positively associated with six out of eight adaptation measures and is followed by training on how to deal with cross-cultural clashes. Providing with cross-cultural tips comes in fourth and is followed by training on the host country religious environment and managing lifestyle changes due to relocation. Managing culture shock and managing major culture differences are positively associated with two adaptation measures.

Surprisingly, the existence of cross-cultural training programs for the spouse and children had a negative impact on the ability of the expatriate manager to cope with stress. They were also found to add to the expatriate managers' feelings of depression. The probable cause is either they lacked the proper content, or they were not administered at the right time. In this case, the intention of providing the family with cross-cultural training is not enough, human resource managers should pay attention to the content, teaching methods and timing. Also of note is the fact that we were not able to conduct multivariate analysis to assess the effectiveness of the family cross-cultural programs since we did not collect any data on the expatriate spouses and children.

As regards the multivariate regressions, the fact that cross-cultural training practices remain positively associated with a number of adaptation measures after controlling for demographic variables adds to the importance of implementing such practices. Results as regards the negative impact of some of the practices should be carefully interpreted. The negative association with some of the adaptation measures should not be interpreted as an obvious need to eliminate cross-cultural training for expatriate managers who have had previous international experience, have a higher position or a higher education level. On the contrary, Human resource managers should consider reexamining the content of such

training programs and adapting them to the profile and the needs of expatriate managers.

In conclusion, several limitations to this study should be mentioned. Individual characteristics such as personality traits have not been included in the analysis and could have been able to account for some additional variance in explaining the expatriate managers' international adaptation. The ability to generalize our findings may be somewhat limited by the nature of the sample.

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