

The Case of the Floundering Expatriate

Globalization is one of the major trends in the business environment, with companies increasingly looking to enter global markets. This creates a need for companies to manage international operations effectively. One option is to send an employee to the foreign location to live and work, with this manager known as an expatriate manager. This process has significant advantages and disadvantages, including the fact that it often fails. The following paragraphs highlight some problems, disadvantages and advantages of an expatriate.

Expatriate assignments do not really fail because the person cannot accommodate to the technical demands of the job. On the contrary, the expatriate selections are made by line managers based on technical competence. As a matter of fact, they are often considered the "pick of the litter". Expatriate assignments fail because of family and personal issues and lack of cultural skills that are not part of the process in preparing the expatriate to work overseas.

Expatriate managers fail because they are not able to adapt to cultural changes. These expatriates are mostly judgmental and not open-minded which prohibits them from understanding or accepting foreign behaviors without stereotyping or prejudice. A failed expatriate manager is ethnocentric and expects business to be conducted the "American Way"; they fail to recognize people are different.

Many expatriate managers react negatively to host country's customs. In order to be a successful expatriate, he or she must let go of his or her basic cultural assumptions and take on the internalized values of the other culture. Many failed expatriate managers maintain their own frames of reference and do not create new frames of reference for the host country. Thus, they begin to make negative comparisons with things at home. American expatriates are not looked well upon if they begin to "brag" or compare customs to that of the U.S. Failed expatriates do not take on new roles but keep the accustomed roles and status appointed to them. They do not acknowledge that their home country's behavior/customs is not always effective in other cultures therefore they adhere to the home country's norms and fail to make the adaptation.

Given the numerous of cross-cultural obstacles that every expatriate must confront, it is not surprising that many expatriates fail to complete the full term of their overseas assignments.

Doing business outside of one's own country can be demanding and complicated. To set aside difficulties that may develop, one must consider the simple fact that business environments of each country are different. While in the U.S. the individual performance is most important, Europeans business styles rely a great deal on cross-divisional team approach, and place emphasis on process

orientation. Bert seems to avoid his surroundings and is not willing to participate in the cultural and societal environment. He's not showing any effort to learn the appropriate business culture. During meetings and training session he offends and shows a condescending behavior towards his employees. Moreover, he uses a lot of simplification and tends to be parochialistic. In addition, he is bad listener and is used to working vigorously on the agenda and specific tasks, i.e. he lack cultural sensitivity.

All these factors together with Bert's lack of language skills impact his status and situation greatly. He was not able to effectively communicate and bond with the line managers and employees. Even though Bert is the "pick of the litter" in the U.S. with excellent references in the U.S. and in Cairo he was not able to adjust to the European culture. The five years he spent in Cairo were different. Over there, he acted as a professor with a different audience. The topic he lectured on was American Studies wherein he could use all his knowledge in this field of studies and he also had ascriptive power.

Bert's lack of cultural and international business knowledge was evident at the first meeting with the Argos international managers. Several managers thought that he did not provide enough specific information for them to understand what he was trying to communicate. In addition, many were not satisfied with the answers he provided during the first meeting. While the French thought he did provide adequate information he did not tailor it to the different cultural learning styles. Another important issue he failed to acknowledge was the lack of titles on the name cards. In many cultures adding the title to someone's name shows respect and is crucial in business practice. Finally, they were upset with the scheduling of the meetings with many running over time.

These differences require international managers to have good analytical abilities and sound business intelligence and other skills in order to make viable decisions and operate successfully. More companies believe that if they do not have managers with global skills, they will lose the competitive edge. Therefore, each year more and more multinational companies are increasing the number and types of executives and managers they are recruiting and selecting for foreign assignments. They have discovered that having the right people, in the right position, at the right location is the key to international success and decreases the risk and cost of expatriate failure.

Most U.S. managers are sent on overseas assignments without the proper training programs concerning current host country's customs/norms and conditions. This leaves the expatriate and even his or her family not prepared to function and adapt to local customs. Many cultures do not have the same style of getting right down to business and many do not place the same emphasis on the value of work. In many cultures, it is customary to establish a personal relationship before you do business. Thus, the expatriate must know how to conduct business in other countries. Recognizing these cultural differences is the most significant and troublesome variable encountered by the multinational companies. The failure of managers to comprehend fully these disparities has led to most international business blunders. Some of the most common problems are the cultural values that differ between countries, such as time, proximity, and non-verbal messages.

Even though Argos Diesel Inc. sent their most qualified technical manager from Detroit who had international experience teaching in a foreign country, he had the technical skill and international experience, not all cultures are the same. Thus, the company failed to evaluate Donaldson's cultural empathy and failed to provide cross-cultural training. Donaldson failed to be culturally sensitive to the Germans and other Europeans, which resulted in low moral and distrust of the American.

In conclusion, it is important that Argos trains their expatriate managers in order for them to efficiently do business in another country. Bert performed poorly because of his lack of knowledge of the European traditions, culture, and environment. Additionally, one feels that in order for Bert to be successful internationally he first has to learn about the cultural differences and ways of effectively communicating with his diverse group of employees.