

SELECTING THE RIGHT MANAGER FOR THE INTERNATIONAL OPERATIONS

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Abstract

This article “selecting the right employees for international assignment” is mainly aimed to analyse main differences in domestic level and international level selection process to differentiate pivotal characteristics which are imperative for effective international selection yardstick, methodology of this paper is comparatively studying and analysing the real business cases and literature in the field of expatriation. Further explores the various international assignee selection approaches under variant business circumstances to achieve the business goals, however from the conceived observation, it has been found commonly for all the international selection approaches that there are few pressing qualities has to be contemplated in the selection process of expatriates are relational characteristics, which includes flexible behaviour, cultural sensitivity, networking interest, emotional stability. Motivational characteristics, which includes, career passion, personality traits, and willingness to up-skilling. Supportive aspects, which includes linguistics skills and spouse support.

Key words:International selection, expatriate characteristics, cross-cultural adjustments, intercultural training, selection yardstick

JEL Code:M1, M16, M100

Introduction

Multinational and the transnational companies’ demands across the boundary business operation, as a result, the employers need to send their employees to the overseas projects; so the project assigned overseas employees are termed us expatriates. In this process some companies sending their employees to their partner overseas companies to interface the business between both the companies, Recruitment, and selection is a crucial in expatriation process; lack of understanding on explicit selection yardstick in the past hindered the progress towards improving the selection decision(Furnham 1990), because it is not guarantee the employees performing in the domestic level will perform in the international environment; the main aim of this paper is focusing on the contextual variable of international dynamic

working environment, in consideration to determine the characteristics of assignee in deciding the international expatriate selection yardstick, however before comprehend selection criterion, critically discussing the challenging phases , where normally the expatriate undergo in abroad experience, contemplating the host country organization requirement and individual characteristics to ameliorate the challenging phases of expatriation experience , success of the effective expatriates management and training is lies in the appropriate expatriate selection, undeniably it leads to revenue and lessen the loss of revenue expenses in the business as in the first hand choosing the right person.

1 Comparison between domestic selection approach and international selection approach

Normally in the domestic selection process the employers look for technical skills and soft skills for the Executive position and their professional profile for them to perform in the domestic level in the home environment. As for as the international operation is concern the employee acquire some extra qualities in order to perform because it is not guarantee that the employees who perform in the domestic environment will manage in the international working environment hence they have to prepare in advance to face many challenges.

In the theory variety of selection criteria should be used when selecting expatriates for assignment abroad, such as technical ability, cross-cultural suitability, family requirements, language (Tung, 1987).

Technical competence is the knowledge and special skills to perform their job role, to select an expatriate assignee the company can rely on their past performance (Stříteský, 2013). Technical competencies may be overrated; survey of 184 European companies states that technical competencies were the most important selection criteria: 99% of them used the job-related skills.

However beside the IQ (Intelligence quotient) technical ability in the modern recruitment method the EQ(emotional intelligence level) of the employees also playing a vital role rather only looking employee's technical skills also looking their personal profiles by relating experiences like checking nature of multi-tasking work the applicant accomplished comparing with actual task and the problem-solving is an another task which some job requires, in some job team involves in problem-solving some jobs like sales for instance problem solving is an independent so the recruiter have to look at whether the person can solve on their own feet.

1.1 International staffing approaches

Perlmutter (2011) identifies three different approaches international staffing approaches depending on their needs and job demand, they are classified ethnocentric, polycentric and geocentric.

(a) Ethnocentric approach

The expatriate's managers are basically chosen from the origin of the company locality, from the parent company nationals'(PCN's) hence foreign subsidiaries have little autonomy, foreign operations, and host countries employees(HCN's) are managed by expatriates from home country.

(b) Polycentric approach

Polycentric approach considers every MNC's is unique and treats each foreign subsidiary differently, it doesn't follow parent company as a center for the strategic decision rather empower the host countries nationals (HCN's) with autonomy. Consequently, this approach is effective to avoid issues in cross-cultural adjustments hence most of their key operations are performed by host country nationals

(c) Geocentric Approach

This approach hires all the three category of national managers. Parent country nationals (PCN's), host country nationals (HCN's) and third country national (TCN's), prefers to mobilize all the nationals equally, for instance the parent company managers can share the companies values and standardization to the host country national stakeholders to manage the business in the host country political environment on the other hand if they need some unique talent from the third country they can hire them, depending on the business demand e.g. Chinese translator

1.2 Pros and cons of different expatriate selection methods

Ethnocentric approach lays higher responsibility on PCN's expatriate to perform foreign operations, as an alien to the host country it will be challenging to the PCN's expatriate manager to manage the operation and the host country employees in the entirely different circumstances, especially the cross-cultural bias in dealing with HCN's, to mitigate these issues the PCN's manager will be trained on cross-cultural suitability to manage the foreign team effectively however under this approach the foreign subsidiaries have lower autonomy causes detrimental effect on the HCN's employees will be a substantial challenge for the PCN's manager in managing international key operations however this method involves

excessive training cost relatively cheaper cost as compared to HCN's, some of the companies following this approach, Procter & Gamble, Philips and Samsung, Philips filled important vacancies by dutch nationals as it was a dutch company

Polycentric approach broadens the horizon; every MNC's HCN's manager takes decentralized strategic decisions without the interference of the parent company, design product based on the host country environment, improves the market position abroad in a short time without any cultural bias, nevertheless considerable flaw of this approach, absence of PCN's expertise in essential range of operations cause sizable economic loss to the company, Coco-Cola company adopted this type of approach.

Geocentric approach, moreover holistic way to deal with staffing, this approach bringing the multicultural environment with the collaboration of PCN's, HCN's and TCN's creates a wider business opportunity which demands to cater new skills to each category of expatriates provides a space to learn communication skills, negotiation skills to deal with different political environment of host country and the home country to bring harmony and success in the workplace and in their overall business, pepsiCola Ltd European MNC's following this approach.

1.3 Factors considering for cross-cultural adjustments

Waxin's cross-cultural model (2006) explains and categories the three focused areas which strongly influences expatriates cross-cultural adjustments, from the perspective of organizational, individual and contextual variables. An organizational adjustment specifies the expatriates task and role-related activities.

As reflection to the waxin cultural model, while selecting the expatriate employee, the important selection criteria will be choosing the candidate, willing to be flexible and adaptable to dynamic working environment, these employees can be given orientation and training beforehand of his/her expatriation on their job-related activity, which makes their role clearer and gives higher confidence to deliver expected international performance. Organizational responsibility extended to support the expatriates by providing social support, mentoring the assignee and his/her family on crucial issues on acceptable and unacceptable behavior in new workplace

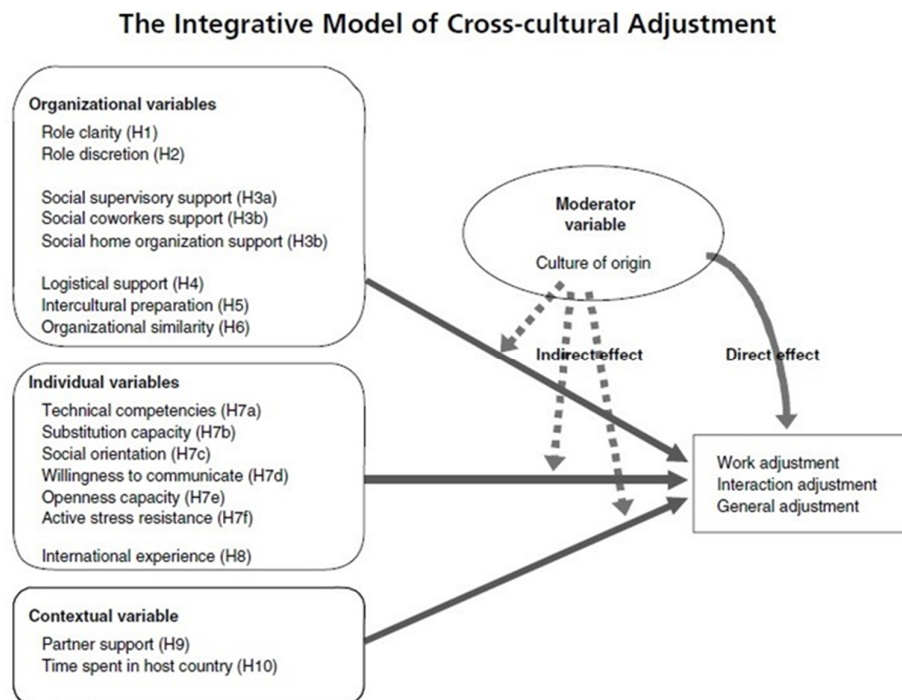
Orienting and Encouraging spouse and children for the international lifestyle to be supportive and adjusted for the successful abroad living, it includes intercultural training for their whole family to tackle the new lifestyle abroad, language training helps spouse to communicate to dealing with shopping and children schools abroad . Cultural training covers

the host country, its people, political, economic, business, legal and physical environment as well (Ronen, 1986) On the other hand alleviating culture shock is crucial for a successful international assignment.

It is evident that family support is critical in the expatriation process, research findings says that from the eastern Europe 15% of the expatriates terminated their projects abroad and repatriated as a tremendous pressure from their spouses, especially in the global perspective the rising headcounts of working women, as a career women their decision are critical hence it is crucial to assess international assignment in the prospect of the spouses for the rewarding expatriation

Individualistic variables includes some of the qualities and traits act as a base for the expatriates for the successful international operation, the three attribute of personality like low neuroticism, moderate extroversion and high openness to experience, and crucial four expatriate competencies of relational ability, cultural sensitivity, linguistic skill, and able to handle stress is discovered as a crucial variable. A flexible personality, attitudinal values of cultural empathy, general friendliness, patience, prudence, impeccable education professional credential, and good health, creative resourcefulness, and respect for peers. If the family is equally well endowed (Heller, 1980). These are the main competencies and personality characteristics consideration for expatriates selection.

Fig. 1: The Integrative Model of Cross-cultural Adjustment



Source: Waxin cultural model (2006)

Tab. 1: Methods of reducing expatriates turnover and their effectiveness

Methods	High(percent)	Medium(percent)	Low (percent)
Chances to use experience	62	32	6
Recognition	60	34	6
Position choices upon return	59	33	8
Repatriation career support	31	52	17

Source: GMAC Relocation services (Rates the effectiveness to reduce expatriates turnover, respondents were small and large organizational HR professional from United States)

According to the GMAC relocation survey among the US companies, HR professionals agreeing the best methods to reduce the expatriates turnover is to focus special attention on expatriates, 62 % agrees chances to use experience, which means how they make use of their abroad experience by observing the inter-cultural gaffe and learning the right attitude, intercultural skills to survive in the new environment, the cultural shock is becoming a current debate. Because of the inability to adapt to the new culture, the expatriate failure rate is still high (Chew, 2004), A possible negative effect of a cultural shock is lead to a bad job performance (Stone, 2005) The 60% of respondents suggest, expatriates being in the host country, already lost home touch, needs strong recognition and support from the company to stay in the job position for a longer period, providing regular feedback with setting up individual goals enables the assignee to keep up their motivation level to attain professional satisfaction.

Personal characteristic of an assignee is playing another role for the successful international operation, the inability of the managers and their spouses to adapt to the new culture in one of the main reasons for expatriates failure. Personal characteristics have been identified as important predictors of expatriates' success (Tung, 1987 cited by Dowling et al., 1994, Harvey & Novicevic, 2001).

Besides all the above factors in consideration for selection process, the knowledge of host country language and non-verbal communication is also very important; Edward T Hall claims that 60% of all our communication is nonverbal (Axtell, 1990 cited by Imai, 1996). It will be difficult to communicate without using facial expression, gestures, or eye contact. However, gestures and expressions are different or even mean totally opposite things in different countries or areas. In many countries, nodding head up and down means “yes”,

whereas, this gestures “no” in Bulgaria, Greece, Yugoslavia, turkey, Iran, and Bengali (Imai, 1996)

1.4 Real cases of companies in selection of expatriates’ assignees

Peace Corps an American voluntary firm sends its member across the country for voluntary services, the firm classified some of the personality really influence the volunteer to perform effectively, ego strength is one of the main criteria in their selection process because it helps them to overcome from apprehension or a lapse into insecurity.

Novartis international a Swiss multinational pharmaceutical company offering English courses to their expatriates and his/her families before expatriation , it is considered assignee and the spouse have basic of the host country language and also training by the host country tutor on host country negotiation skills . Novartis assures preparation promotes better adjustments and harmony for the both end.

It has been proved critical that both the firm focussing on different factors, peace corps primarily looking in the expat applicant the ”ego strength“ in the literature it is stated as high self-esteem, which is needed in reasoning and relating the conflicts arise in the course of abroad fresh experience, where in the case of novarities pharmaceutical company concentrating on family support, literature research findings support their strategy, the major reasons are the inability of a manager to adjust, the inability of a spouse to adjust, and other family problems. These reasons are also confirmed by other studies (Swaak, 1995; Chew, 2004)

Tab. 2: Title of table Attributes for effective expatriates selection

Job factor	Relational Dimensions	Motivational state	Family situation	Language skills
Technical skills	Tolerance for ambiguity	Belief in the mission	Willingness of spouses to live abroad	Host country language
Familiarity with host country and headquarters operations	Behavioral flexibility	Congruence with career path	Adaptive and supportive spouse	Non-verbal communication
Managerial skills	Non-Judgementalism	Interest in overseas experience	Stable marriage	
Administrative competencies	Cultural empathy and low ethnocentrism	Interest in specific host country culture		

	Interpersonal skills	Willingness to acquire new patterns of behavior and attitudes		
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Source: Chew, J. (2004). Managing MNC Expatriates through Crises: A Challenge for International Human Resource Management (2005)

Conclusion

Expatriation selection approach can be selected based on the requirement of the company whether ethnocentric, polycentric or geocentric; however the companies aim in expatriation selection process is to achieve the longevity of the employees by adopting the right international selection criteria, in the comparative analysis, it has been found that some of the characteristics are imperative for the effective expatriate selection, relational characteristics (flexible behavior, tolerance, cultural sensitivity, networking ability, emotional stability) relational dimensions refers to the relational characteristics of the expatriate, which are mandatory to work in a diverse host country working environment, for instance, tolerance needed to overcome from the communication bias arises because of distinctive voice tone or foreign accent moreover having the quality of learning and nurturing habit, to react to the host country environment in the appropriate manner rather ignorant, motivational characteristics (career passion, willingness to up-skilling, personality trait) of the expatriate can be tested while selection process to predict the job position suitability, interviewing about the candidate passion on their career development, which has great impact in all other dimensions in the expatriate process, eventually their interest in enhancing multicultural skills will elevate their overall international behavior, right from understanding the host culture will make them ease in the process of acquiring suitable skills to deal with divergent environment, once the relational characteristics and motivational level of the applicant tested, the candidate almost fit for international work experience however the other few aspects to taken into consideration are family and linguistic skills, family support play a vital role in psychological well-being of the suitable expatriate, henceforth counting the expatriate family into the selection process is mandatory, interviewing the spouses in-regards to their willingness to live abroad and educating the host country protocol, lifestyle and language will provide mental strength to experience the reality of new life in the sphere of international environment thus I conclude if the expatriate assignee selected on after testing these pivotal characteristics, with the appropriate organizational support they will flourish themselves.

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