



EXPATRIATES: WHY DO WE NEED THEM?

Slovenian “highlights”, for instance Gorenje or Krka, impressively demonstrated in the past **the change from local producers to multinational companies**. And in every multinational company are expatriates or expats (*according to Wikipedia: a person temporarily or permanently residing in a country and culture other than that of the person's upbringing or legal residence*) playing, in my opinion, a very important role, especially during phases of expansion, but also later on, when companies undergo certain consolidation periods. What's the reason for that?

1. Expats **represent their companies abroad**: they create a picture of the company's head office towards “foreigners” (from the head office's perspective).
2. Expats **transfer knowledge** from home to their foreign subsidiaries.
3. Expats **teach their colleagues in their head offices** what's really going on “in the outside world”.

Some years ago, an international banking group was searching for young managers **who were willing to go abroad, but not for holidays**. On the contrary, those young managers were to be employed as expatriates in one of the groups' foreign subsidiaries. For that purpose, the bank's HR department placed several ads on the intranet and distributed leaflets with a nice slogan amongst the employees.

The response was disappointing, and therefore, the people responsible in the HR department started to investigate the reasons:

1. Those young managers who had already covered certain management positions within the head office's organization structure didn't want to give up what they had already achieved. And they didn't really believe in the “right of return” that was promised in the ads.
2. For others, the price to leave their home and family was too high, or, on the other hand, the compensation was not attractive enough.
3. The banking group expanded at this time in CEE countries, which didn't offer favourite destinations like New York or London, and this is what young managers usually dream about.
4. And a fourth group was simply too afraid about uncertainties like foreign culture, a foreign language and a new environment.

One day a group of colleagues consisting of people from the international department, the HR department and the corporate account management division was sitting together for an “end of the day beer”. One of them was a very ambitious junior corporate account manager.

They chatted about different issues. Suddenly the lady from the HR department mentioned the problem with the “expatriate's campaign” and someone said: “Hey, junior account manager, you are the proper candidate for becoming our expat!” “And of course”, the HR manager stepped in, “you could act as the key account manager for all our large international customers there!”



After half a year being an expatriate in one of the group's CEE subsidiaries he gave up – and what's worse: he moved to another banking group back in the head office in his home country.

What happened?

He couldn't attract any new international customers, because **this was not the target group of the foreign subsidiary**. And the existing international customers didn't want to replace their relationships with the experienced account managers in the head office with a young manager abroad.

Conclusion # 1: Find out what the expectations are from both sides: your head office and the foreign subsidiary where you are supposed to work in the future! And investigate whether someone promised something to you without commitment from the other side!

He was totally disappointed about the way his new boss treated him. At home the expat was presented as “the star”, because he was now the only one brave enough to leave home and go abroad. But no one “demanded” his appearance in the foreign subsidiary – **it was the idea of the guys in the head office** – so therefore his new boss literally set him aside.

Conclusion # 2: Integrate yourself immediately into your new environment and become part of the team “outside”!

His new colleagues outside fully ignored him. The reason was, as the bank found out later, that he agreed on a business car as part of his compensation package. So far business cars have been provided to only top management, **whereas the other “local” account managers had to apply for car pool vehicles** according to the bank's business trip policy.

Conclusion # 3: Avoid “visible” signals as long as you don't prove your competence and show success.

The local staff very quickly noticed that he couldn't deliver any special knowledge to them, or at least anything which they didn't already know. Usually **local staff is creating its own picture about their head office and its employees** – at least as long as they didn't visit their head office – and in the same way they saw him more as a representative of the head office than one of “them”. What his new colleagues did expect from him was to learn how to approach customers more successfully, that he bring special tools with him and that they receive special “added value from western countries”.

Conclusion # 4: Be equipped with knowledge and tools as much as you can, and find out what your future colleagues' expectations are in that sense!



As an expatriate he was promised a “personal” coach, someone from the top management who would introduce him to his new environment and encourage him in connection with his assignment. But the priorities in the foreign subsidiary were totally different than those in the head office; **everybody was eager to make business instead of developing people.**

Conclusion # 5: Take your own initiative and find out where and how you can contribute most, instead of “getting on someone’s nerves”, especially in difficult periods.

If both the employer as well as the future expatriate take the example of this article seriously enough, it will surely contribute greatly to the entire company’s success: expatriates will then play the important role that I mentioned at the beginning, and it will certainly give them a competitive advantage in their future career.