



5 Ways to Manage Expatriation Risk

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In our increasingly **globalized** world, international businesses seek to fill their organizational needs by strategically shifting corporate talent from one place to another. However, a substantial percentage of international assignees fail to meet their company's objectives. The high cost of relocating talent – and the high expectations resting on the shoulders of these talented women and men – require that companies **minimize risk wherever possible**.

Risk is inherent in an international assignment: underperformance, safety, attrition, and even reputational damage are costs that successful companies can ill afford. Mobility departments who fail to understand the intricacies and risks associated with international assignment are setting both themselves and their assignees up for potential failure. With more than just money on the line, how can companies mitigate expatriation risk, and what can they do to ensure the success of their assignee?

1. Guarantee expat safety

Powers out of your control, such as political instability, economic volatility, natural disasters, and crime, have led to an understandable prioritization of safety and security. Duty of care – and the high cost of failure – dictate that global mobility professionals **address these issues proactively** and definitively. Many companies already offer extensive safety training, travel monitoring, evacuation procedures, and even kidnap and ransom insurances. To minimize risks, global organizations should carefully review their current safety & security policies and procedures.

2. Keep your expats healthy

The physical health of expats is often addressed with lesser rigor than would be sensible. Due to 'respect for privacy', or merely an inability to have 'difficult' conversations, not all companies conduct a **standard medical screening** that could flag medical needs proactively. Ensuring that chronic disease or medication requirements are addressed assiduously is the least companies can do.

Frequently, companies focus on providing access to facilities and resources, but only medical evaluations can truly prepare the assignee for the health-related risks while on assignment. Some medical conditions can even make certain assignments untenable. To ensure that illness does not sabotage the assignment, medications, referrals to doctors for ongoing treatment, and other resources should be put in place **before leaving the home country**.

3. Provide psychological support

A minimal medical evaluation should be coupled with a **mental health assessment** – both for the assignee and their spouse or partner. According to the [World Health](#)



Organization, 300 million people suffer from depression worldwide. If one adds anxiety, insomnia, and other behavioral issues on top of that, we can only imagine the lost time and decreased productivity. If challenges such as mental health issues and learning disabilities go unnoticed and unaddressed, the entire assignment is at risk. Expats encounter a plethora of challenges in varying degrees once they relocate. On the work front, a whopping [65% of expats report](#) feeling an amplified strain of work in the host country and 51% say they are overworked. The **happiness of their partner and family is of equal importance** for most assignees: 67% cited family concerns as the primary reason for returning to the home country early.

Global mobility professionals often assume that generous compensation and relocation policies are enough to ensure a smooth transition. However, isolation and loneliness are often an inevitable part of the assignment – particularly for the non-working spouse or partner. **Establishing a structured support framework** could go a long way to ensuring success. Spousal support programs and destination services that address unique family needs are thus essential services to help with the transition and minimize risk. The employee’s state of mind is paramount to the success of the assignment; familial concerns can lead to underperformance and absenteeism at work, if not addressed proactively.

4. Train cross-cultural communication skills

The same professional skills that can make an employee a ‘rock star’ in their home country can be perilous on assignment. An assertive businessman with a direct communication style that is successful in Germany may be at risk of jeopardizing relationships when operating in a more hierarchical, indirect culture such as Japan. Companies often address competency from a language perspective but do not always give the same importance or attention to the ‘softer’ skills which are – to quote the [Harvard Business Review](#) – the ‘harder’ skills. Many organizations focus on functional skills and job-related capabilities. Companies that conduct successful expatriation programs look not only for technical qualifications and abilities but also for an **aptitude to develop a global mindset**. Cultural competency – the ability to navigate the cultural complexity of the multicultural work and marketplace – is a crucial, fundamental element to an assignee’s success. Cultural adaptability and emotional intelligence directly relate to a higher expat success rate.

5. Don’t forget expat repatriation

Repatriation and a reverse culture shock is often more challenging than expatriation itself. All too often, expats find that their newly acquired language and inter-cultural skills do not reconcile with the home office. The loss of autonomy, a changed professional approach, and changes among their colleagues make for a **challenging re-integration at work**. The risk of repatriation failure is significant: the attrition of a valuable employee with a wealth of international experience. Supporting the



repatriating assignee and their family is, therefore, in the best interest of the organization. Mentoring the assignee, repatriation training, and tapping into their international experience by mentoring other colleagues are **proven methods of reducing the risk of attrition**.

By exploring these five key concerns linked to expatriation, global mobility professionals can improve their strategies for mitigating risks and enhancing the assignee's performance.

About CAI

Cultural Awareness International, Inc. (**CAI**) has close to three decades of remarkable history working with HR and Business Leaders to create unique, personalized solutions that develop their employee talent to perform skillfully in the global marketplace. A woman and minority, privately owned and operated company, we holistically address organizational needs for global competency development, diversity and inclusion training, intercultural communication and global leadership with flexibility and innovation. Additionally, we provide comprehensive destination services that assist both assignees and their families in relocating to a new home and settling into their new community. Our experience collaborating with global companies across all industries and scope gives us invaluable insight to anticipate and address our clients' needs. Our solutions target not only the needs of globally mobile individuals and their families but also that of teams and senior leadership. CAI's expertise, creativity, and agility deliver the best sustainable solutions to hone and enhance the skills of your globally mobile talent.

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