

The Right Way to Manage Expats

The Expat Dilemma

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As the senior HR executive in charge of managing overseas assignments, Anton Danois made a point of spending time with Streuvels Chemicals' expatriate employees and their families. But this evening, dinner at the Lobatos' home wasn't going well.

Ana Lobato, a Brazilian engineer, had been working at her headquarters assignment in Brussels for more than a year and was doing a great job, but her husband, Oswald, was increasingly unhappy. Right now, Oswald was even more than unhappy—he was enraged. He was glaring at Anton, who steeled himself for the remote but real possibility that Oswald would reach across the table and punch him. Instead, Oswald rose and looked around at his three dumbstruck sons, his wife, and the remains of dinner. Visibly mastering his anger, he made his way down the high-ceilinged hallway to the kitchen and closed the door. It was silent in the Lobatos' elegant apartment except for the muffled sound of traffic outside. All eyes came around to Anton, whose hand trembled slightly as he reached for his napkin. In a moment, Ana got up and went to her husband, leaving the boys to stare at their visitor.

All Anton had said was that if Oswald enrolled in a Belgian medical school, Streuvels would pay part of the tuition. It was intended to be a helpful comment; Oswald's Brazilian medical degree didn't allow him to see patients in Europe. But Anton hadn't anticipated Oswald's outrage at the idea of repeating medical school, and now he wished he hadn't opened his big mouth.

When Ana had arrived in Belgium, she had been full of hope and excitement, ready to share with her headquarters colleagues the expertise she had acquired from high-level positions at polyvinyl chloride plants in Brazil and Argentina. Streuvels sorely needed her skills and experience as it rolled out plants all over Eastern Europe and Russia. The Lobatos seemed like another set of happy customers of Anton's international mobility

department. Ana, a star, had fit in from the first day. Her boys had adjusted to their new school, and at first Oswald had seemed to get along just fine, studying cochlear implants at UCL-St-Luc as part of his plan to acquire international stature as a researcher.

But it hadn't taken long for things to go sour for Oswald. First the head of the implant lab was out for three months for heart-valve surgery, leaving Oswald without a mentor. Then Oswald's project was folded into another, which made him feel useless. Soon he started complaining about the weather in Brussels. He then announced that his heart just wasn't in the lab; he missed going to work every day in an otolaryngology clinic and seeing patients, but he could not practice medicine in Belgium.

Ana emerged from the kitchen, looking pained. "It might be better if—" she began.

She didn't have to finish. "Please apologize for me," Anton said, getting up to leave. "I'm so sorry."

"It must have been a hard week for him," Ana said, following Anton to the front door.

"He's always been such a positive person, but lately, well, he's been different."

Anton caught glimpses of his short but substantial self in darkened windows on his walk home. He looked like what he was: a business pro with decades of experience. But managing European chemical plants was what he knew best, not overseeing an international mobility department. He'd held the position for three years, and he couldn't get over how unprepared he was to be an HR exec and, specifically, to manage expats. Admittedly, he had a tendency to run off at the mouth and say things he later regretted—a trait that had hardly mattered when he was a general manager but was a definite liability in HR. Now he was worried about what was happening with Ana's family—worried for the family and for the company.

The Strange World of Mobility

Ah, Anton said to himself—this is more like it. He felt truly at home here. All around him were steel vats with fittings painted in pastel pinks and greens. Yellow plastic drums stood in rows on pallets, a long black hose hung coiled on a hook, and two forklift drivers dodged each other as they moved to and from racks holding thousands of identical lengths of plastic pipe. Anton's shoes squeaked on the impeccably clean floor.

He spotted the HR head, Maria Claes, and waved. Maria had asked for a meeting, and her

only unscheduled moment was right now, during her visit to this plant outside Brussels.

“Why can’t my office be in a place like this?” Anton asked, only half joking, when Maria came down from the catwalk.

“You don’t like the Labyrinth?” Maria responded, referring to the glass-walled executive offices at HQ.

“It’s just that I love being in a plant,” Anton said, taking a deep breath of the pleasantly vinegary air.

“You’re an expat yourself then,” Maria said. “An expat in the Labyrinth.”

The point of the meeting quickly became clear as Maria searched for a room where she and Anton could talk. “Another one of your requests for a special exception came across my desk this week,” Maria said, sounding a bit annoyed.

“He’s the only caregiver—” Anton started to explain.

Maria held up her hand. “I brought you into HR to streamline and rationalize the mobility program, and to make sure employees see it as completely consistent and transparent,” she said. “That’s why I picked someone who had been a general manager and not an HR professional. I’ve had too many complaints that the system seems illogical. But I get request after request from you for exceptions.” She paused. “You’re going to have to tell Sergio Gamelli that we can’t pay to send his mother to China.”

“I fully understand why you brought me into this job and what you want me to do, and I fully expect to excel at it,” Anton said. “I’ve been streamlining and rationalizing things my entire career. But mobility—it’s a strange world.”

“How so?”

“Unlike those PVC pipes out there, every expat or would-be expat is unique,” Anton said. “If you adhere to rules that are designed to save money, you sometimes end up spending even more. If Sergio leaves his mother behind, he’ll be distracted and unproductive, and his trips back to Milan will take time away from his work. What we’re doing in China is too important for that.”

“You’re really suggesting we write a new set of rules for every expat?” Maria raised her eyebrows. “I don’t call that rationalization.”

As a much-decorated veteran of a company that valued its senior managers and hadn’t fired anyone in living memory, he felt free to speak his mind: “You can rationalize

something only if it has a rational basis,” he said. “As a GM, I dug down to the fundamental questions: What’s this program for? What’s the ROI? Mobility, as far as I can tell, doesn’t have a clear-cut purpose, and it seems to exist beyond the bounds of ROI. Am I right?”

Maria shrugged. “You’re probably right about ROI,” she said. “But mobility definitely has a purpose. Several, in fact, including recruitment and retention.”

“Granted,” Anton said. “But a lot of companies in our sector are cutting down on mobility. In some ways, it’s an expensive throwback to corporate colonialism. Why send people from Europe to run our plants in Southeast Asia when the homegrown talent is perfectly capable of running the plants?”

“Corporate colonialism?” Maria said, making a face.

“The reason the system seems illogical,” Anton said, “is that it is illogical.”

An Expensive Sideshow?

“I traveled a lot as a girl,” Ana was saying. “My father was a diplomat. I love to travel. My boys take after me. Brussels is great for them.”

“Brussels is good,” Anton said. They were in his favorite café, at a small table near the door. People were filing in with sleet on their shoulders.

“But Oswald—” She shook her head. “We made the decision together. We saw big opportunities for me and him and for the boys: an international school, new horizons. We wanted to do something different.”

“I tried every which way to figure something out for him,” Anton said. “I know, I know,” Ana sighed.

“I called every academic medical center in Belgium looking for research programs that he might apply to. I even got the company to agree to help out with his tuition if he wanted to get a medical degree here.” He paused a moment. “Is he talking about—going back?”

“Yes—and with the boys,” Ana said. “That’s what kills me. The only reason he hasn’t gone is that the boys have rebelled.”

“I really don’t want him to go,” Anton said. “If he goes, you’ll be alone. That’s no way to live.”

Of course the real danger was that if Oswald left, Ana might be drawn back to Brazil herself, disrupting the company's plans for its new polyvinyl chloride plants just as the joint venture in Nizhny was moving into high gear. Anton knew only too well that there were several major chemical companies in Brazil that would welcome Ana with open arms.

Ana looked down into her tea. Her calm demeanor seemed in danger of cracking. "I don't want him to go, either," she said.

Despite her emotions, Ana, ever the engineer, made a studied observation: "The spouse's life— that's the weakest point of expatriation, isn't it?" she asked. "We seem to be relying on this model where one spouse is the leader and the other has to follow, whatever their genders. This is just too hard for a lot of couples. Maybe the standard three-year assignment is too long. Maybe we should switch to three months."

To Anton, three months sounded more like a safari than an international assignment, but he didn't give voice to the thought. "I don't think spouses are the main issue," he said. "The whole system is weak. I've got 30 French expats right now who have been abroad for 10 years or more, and every one of them is in a holding pattern; they all want to return to France. But our French operations are so minimal that we don't have openings for them. Reintegrating people after they've been away is a constant headache. The mobility program is an expensive sideshow."

"It's not a sideshow," Ana said sharply. "Not as long as the company insists on basing promotions on international experience. I've heard there's an unwritten rule in this company: To get a senior leadership position, you have to have experience in at least two countries."

Anton nodded slowly. She was right about that.

"So mobility is a matter of the highest importance for employees—especially young engineers like me," Ana said. She shifted uncomfortably in her seat. "Could you—could you sweeten the deal?"

"You mean more money?" Anton asked.

"If the money were really good, I might be able to convince Oswald that another year or two would be worth it," she said. "We've been having a hard time here, making it work economically. Everything in Europe is so expensive."

“I don’t know,” Anton said. A big raise would have to be approved by Maria, who had continued to refuse several of Anton’s special requests, including the relocation of Sergio Gamelli’s mother.

Ana put another card on the table: “I should probably tell you, Anton, that the head of the Brazil operations is trying very hard to bring me back there. He wasn’t crazy about letting me go in the first place, as you know, and now that there have been a few retirements in the South America division, he has a big project in Bolivia for me.”

This was a shock. So Ana and the Brazil head had been working the back channels? Maria would go ballistic if Anton tried to transfer Ana back to South America prematurely. “But your assignment—you’re supposed to be doing a three-year stint here, with the possibility of renewal.”

“As I was saying, maybe we need to shorten the assignments,” Ana said. “I’ve already been very productive here. The Nizhny project is ready to go. I’ve gained a lot of useful experience that will help me move up once I get back home. And of course Oswald would be very happy, and that’s important to me.”

She looked intently at Anton. **“What do you think? Could you arrange to have me reassigned back to Brazil?”**

Can Anton keep Ana happy in her foreign assignment?