

Expatriates and the Impact of Cross Culture Training

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Abstract

Increased internationalization in the economic, political, and social arenas has led to greater interpersonal cross-cultural contact. It was observed that much of this contact not being successful, a cross-cultural training has been proposed by many scholars as a means of facilitating more effective interaction. A review of the many cross-cultural training literature available reveal that such a cross-cultural training in general was effective. The article attempts to offer a theoretical framework for understanding past research and for guiding future research. Hence the main objective of the study was to analyze the impact of CCT on the Expatriates. This study provides the support academicians need to show corporate leaders the usefulness and necessity of such training by deciphering the true effects of such programs

Keywords: Expatriates, Cross-Culture Training, Interpersonal, Economy

Introduction

The cross-cultural training in general can be defined as "any intervention aimed at increasing an individual's capability to cope with and work in foreign environment".¹ Hence cross-cultural training involves all the methods like lectures, simulation etc. used to make the person familiar with a different culture. The term cross-cultural training hence is broad enough to include differences in areas like Language abilities, business etiquettes, beliefs and values, social system, negotiating styles etc. of any culture. The cross-cultural has also been defined as "formal methods to prepare people for more effective interpersonal relations and job success when they interact extensively with individuals from cultures other than their own".² The success in the job is slightly different from that of normally accepted factors. It may even be ambiguous sometimes as the factors defining success on an expatriate assignment may include organizational values, earning respect from peers and subordinates, technical skills, interpersonal and relationship management skills etc. Hence an expatriate has to give that much

1 N. Muncherji and U. Dhar, *Creating Wealth through Strategic HR and Entrepreneurship*, (URL: [http:// books.google.co.in/books](http://books.google.co.in/books), accessed on 09.09.2013).

2 *Ibid.*

more to his assignment as compared to the local or an employee belonging to the host country.

The advantages from cross-cultural training have been listed as following. Firstly, a means for constant switching from an automatic, home culture international management mode to a culturally adaptable and acceptable one, and it is an aid to improve coping with unexpected events and cultural shock in a new culture, and it is a means to reduce uncertainty of interactions with foreign nationals and following it is a means for enhancing expatriates coping abilities in general.

Hence cross-cultural training can be seen as a tool for improving the corporate culture and practices by constantly learning through induction of foreign nationals in the organizations. An otherwise proved and efficient employee in his home country may perform below par which could be mainly because of incomprehensible work culture, behavior patterns of co-employees and also language barriers in a foreign country. It will be a waste of money and time addressing those employees on issues other than cross culture. Companies can save a lot of financial cost if the cultural barriers of their expatriate employees are taken care of. Further the cross-cultural training will help to reduce the psychological stress and cultural shock which often lead to failure of expatriates.

Design of Cross-Cultural Training

The issues or focus points are very important in the cross-culture training as it is required to choose between culture specific or culture general training, which areas of the culture to focus upon and what are the personal requirements of the person who might have to deal with a situation like the represented scenario or who is shifting to a different culture for work. The study by Hun and Jenkins (1998) mentions following issues for the cross-cultural training.³

Firstly, different aspects of time, like punctuality, which involves two dimensions: punctuality and relationship dimension. While in some cultures like USA being prompt and time conscious may be very important while in South American and Eastern countries that may be considered above normal or even exceptional. Some cultures prefer to take time to place trust and for relationship building like in Greece, while in others it may be considered rude if acceptance takes beyond a reasonable time. Hence cross-cultural barriers related to factor of time has to be given first consideration.

Secondly, the cases of linguistic barriers in which english is being accepted as the most common language used for most business and even non business transactions but then even here there may be unexpected problems. Usage of English tends to

3 R. D. Lochan, *Strategic Human Resource Management*, New Delhi, Excel Books, 2008.

change from country to country and with different regions within the same country. For example the pronunciation in India is significantly different from what it is in New Zealand. Besides certain terms may have different meanings in the same language in different geographical areas; making context play an important role. In case of countries with different languages like in India, the expatriates must be trained in opening dialogues and discussions with the help of translators.

Thirdly, there are different business practices, in which factors like power distance can play an important role in situations. In cultures with lower power distance the employees may tend to call their bosses with their first names while this may not be acceptable in cultures with higher power distances. Gender issues also play a role. Therefore we find a significant difference in meetings conducted by an American firm where the Team leader may be a woman, whereas the possibility of this may be less, say in a company from a Middle East country. Hence it is of paramount importance to develop a first hand knowledge about the practices in vogue in the host country.

Fourthly, there are issues of cultural stress where the CCT should involve methods to counter stress and to understand and interpret situations. Many times the expatriates will have to understand the situations on their own and then form perceptions. The training should avoid any kind of stereotyping where trainees may be led to believe certain things about any culture. The culture may broadly explain value system of a community or country but every individual is different. Hence any individual with a pre-formed notion about the culture will be shocked to see people with different beliefs from his own, leading to lot of confusion and stress. Body language, greetings and the way emotions are expressed in the various cultures may differ, for example, the face expressions and hand gestures may convey different meanings in different cultures.

Different Approaches in Cross-Cultural Training

Different approaches can be used to train and raise intercultural awareness. Based on Littrell et. al., referred to by M. Khorasani ⁴ one can distinguish between the following approaches:

Attribution training: In this type of training, employees in an international environment try to interpret behavior from the viewpoint of nationals from the host culture.

Culture awareness training: This method of training makes use of cultural sensitivity training groups (so-called T-groups) to explore the expatriate's culture

4 M. Khorasani, (URL<http://www.moshtaghkhorasani.com/english/intercultural-skills/approaches-in-cross-cultural-training>, accessed on 11.09.2013).

of origin. The assumption is that through understanding one's own biases and values, expatriates understand better the dynamics of intercultural communication.

Interaction Training: This method involves on-the-job training where the expatriate employee learns the basics from an experienced and established expatriate.

Didactic training: This method of training is to provide the expatriate with practical information and facts regarding living conditions, cultural differences, job details, etc.

Experiential training: This type of intercultural training uses simulations, role plays and visits to the host country

Language training: Language acquisition plays an important role in understanding a new culture and adjusting to it. However, one should make a clear distinction between linguistic skills and intercultural skills.

It is observed through research that companies respond to cultural differences in following different ways. Firstly, ignore them and hope they will go away; believing that to focus on the differences will just make the problem worse. Secondly, by failing to manage cultural differences and risk experiencing culture shock by not recognizing the importance of dealing with cultural differences and the possible consequences of taking no action. Thirdly, trying to manage cultural differences by appreciating various cultures, and understanding the positive impact of being culturally savvy.

Dealing with Culture Shock

Many people, who come to live in a culture which is radically different from their own, experience a psychological disturbance or maybe even a kind of disorientation. This psychological disorientation is described as culture shock. This is the result of differences in cultural norms, rules, understanding and identities. Cultural shock has some certain effects. Expatriates suffering from it feel a sense of disorientation and uprootedness, homesickness, hostility towards stereotyping host nationals, uncertainty about future, irritability, excessive sleep, withdrawal and boredom, compulsive eating and drinking. Additionally, expatriates suffering from a cultural shock feel that the behaviors, strategies and attitudes that were necessary for accomplishing targets and goals at their familiar home ground do not work in the new cultural context and some of these might even be seen as bad manners.

Cultural shock goes through different patterns

In the first stage, one thinks that it is charming. In the second stage, one considers it evil and in the third stage one sees it different. Expatriates going through a cultural shock also react differently to it: a) Some assume that something is wrong with host nationals and not with themselves, b) expatriates overvalue their own culture and exaggerate its benefits, c) expatriates describe their own culture in moral terms such as polite, rational, etc. and d) expatriates undervalue their new culture.

Review of Literature

Research in 2006 suggested that technical training and current cross-cultural training programs do not seem to address expatriate failure at all.⁵ Some researchers use harsher words and describe the cross-cultural training provided by most multinationals as 'insufficient' and 'incomplete'.⁶ Cross-cultural training⁷ has long been the prime tool used for facilitating effective cross-cultural communication and interaction. Cross-cultural training was defined in early literature as any procedure used to increase an individual's ability to cope with and perform well in a new cultural environment and as enabling the transition from a home based management mode towards a more culturally appropriate mode.⁸ The following relevant factors influence the selection of intercultural training methodology:⁹

Degree of training rigor or 'cognitive involvement'; cultural novelty (similarity between the individual's native culture and the new culture also described in the literature as cultural distance), culture barriers, or cultural toughness; degree of interaction required in the host culture; available training methods and duration of intercultural training relative to the degree of interaction and culture novelty.

The importance of developing expatriate managers for their overseas assignment through the utilization of cross-cultural training seems apparent. Considerable research supports that cultural training can have a positive effect on cultural adjustment and expatriate performance.¹⁰

5 URL: <http://www.expatica.com/hr/story/Crosscultural-training-a-waste-of-time-money-and-effort.html> (accessed on 08.09.13).

6 URL: <http://www.expatica.com/hr/story/Crosscultural-training-a-waste-of-time-money-and-effort.html> (accessed on 08.09.13).

7 URL: (http://www.duo.uio.no/bitstream/handle/10852/18074/Master_thesis_Kine_Reegard.pdf?sequence=1) (accessed on 09.09.13).

8 URL: <http://www.siop.org/tip/july12/05culhane.aspx> (accessed on 09.09.13).

9 B. Kupka, R. W. Kennan, 'Toward a Theory Based Approach for Intercultural Communication Training' in *Intercultural Communication Studies*, Vol. XII-2, 2003, URL: <http://www.uri.edu/iaics/content/2003v12n2/09%20Bernd%20Kupka%20&%20William%20R.%20Kennan.pdf>

10 Kyle W. Luthans, Steve Farnier, *Expatriate Development: the use of 360 degree Feedback*, MCB UP Ltd, (Published online, URL: <http://www.emeraldinsight.com/doi/pdfplus/10.1108/02621710210448048>) (accessed on 13.09.13)

Objectives of the Study

The main objective of the study is to analyze the impact of Cross Culture Training on the expatriates. In addition very little research has been focused on how expatriates learn in different countries, and how the learning process occurs. It is also of paramount importance to know the preparedness of the expatriates before the start of the assignment. Although an expatriate who works in another culture for a period of time learns the different culture, previous research tells us little about the process of learning. Generally, training programs for expatriates do not concern processes of learning from experience after arriving in the host country. Learning can be seen as a much larger process of reconstructing or transforming the expatriate's worldview or interpretations that previously were taken for granted.¹¹ Hence this study aims to analyze the impact of Cross Culture Training (here after referred to as CCT) on the expatriates in Hyderabad. The main parameters included in the questionnaire were cultural assimilators, language preparation and sensitivity training. Interest in cross-cultural training stems from a belief that it allows the individuals to accelerate adjustment to the new culture and be more effective in their new roles. Cross-Cultural Training can facilitate adjustment by involving the gradual development of familiarity, comfort, and proficiency regarding expected behavior and the values and assumptions inherent in the new culture.¹²

Scope and Methodology

The scope of the study is limited to the twin cities of Hyderabad and Secunderabad in the State of Andhra Pradesh. The source of data included is empirical and secondary. The data was collected from respondents through well-designed open end questionnaire through email and telephonic interviews. The secondary data was based on the research articles and survey reports.

Sample and Data Collection

The sample constituted 100 expatriates from a software company (n = 48) and a Foreign Bank (n = 32) and a Beverage company (n=20) Seventy out of the 100 participated in this study resulting in a response rate of 70 per cent. All the respondents were on overseas assignments for a minimum period of three years when they took part in the research. Participants' ages ranged from 23 to 61 years. They were mostly males (n = 70, and 60 participants were married. Employees of varied nationalities in Hyderabad, working in the manager level and who had earlier experience of working offshore formed the sample for study.

11 I. S. Shim, K.E. Paprock, 'A study Focusing on American Expatriates Learning in Host Countries'in *International Journal of Training and Development*, Blackwell Publishers Ltd, 2002. URL <http://www.sbuweb.tcu.edu/AStudyonAmericanExpats.pdf> (accessed on 11.09.2013).

12 *Ibid.*

The questionnaire was administered through individual e-mails by an expatriate administrator for software company and an expatriate HR advisor for others, and the respondents responded through the mail and telephone. Statistical Tools were applied in simple percentages and averages for standard deviation of analysis of data.

Analyses and Discussion

Table-1
Demographic Profile of the Expatriates

Age	Number of members	Percentage
20-30	20	28.5
30-40	30	42.8
40-50	10	14.28
50-60	8	11.42
Above 60	2	2.85

Source : Primary Data

The study reveals that out of 70 respondents who participated in the study, 28.5 % of the members are in the age group of 20-30,

42.8 % of the expatriates are in the age group of 30-40. 14.28 % of the members are in the age group of 40 to 50 years. 11.42 % of them are in the age group of 50 to 60 years. 2.85 % of them are above 60 years.

The study reveals that employees within the age group of 20 to 40 are willing to take up foreign assignments as compared to the older members. This reveals that overseas assignments are more attractive to the younger ones in the age group of 20-40 years. It may be that these age groups are more willing to adapt to a new culture and ready to work in new cultural environment.

Table-2
Satisfaction level of the respondents to the CCT

ATTRIBUTES	RANK						MEAN
	I	II	III	IV	V	VI	
Dealing with the change	15	22	21	4	5	3	2.688
Individual-based activities	22	20	4	2	7	15	2.432
Development of greater feelings of well being and self confidence	15	28	9	3	7	8	3.369
Development of appropriate perceptions relative to members of another culture	10	8	13	14	11	14	4.339
Cross-cultural skill development	3	3	7	42	31	14	3.378
Providing essential information related to working and living conditions in the country of service	9	7	17	13	14	10	4.802

Source: Primary data

From the above table it is revealed that 'providing essential information related to working and living conditions in the country of service' is given the top priority followed by "development of appropriate perceptions relative to members of another culture.' The least priority is given to 'Individual-based activities.'

Table-3
Business Expectations met by the CCT

Parameters	Agree	Strongly Agree	Disagree	Strongly Disagree	Not Applicable
To Become familiar with Indian management styles	60 %	20 %	10 %	10 %	Nil
To Learn about Indian work practices	70 %	20 %	5 %	5 %	Nil
To Learn effective communication strategies to get the job done	50 %	30 %	10 %	10 %	10 %
To find out how Indians prefer to do business	60 %	20 %	5 %	10 %	5 %

Source: Primary data

The above table reveals that nearly 80 % of the expatriates agree that CCT is successful in helping them to become familiar with Indian management styles, nearly 90 % agree with learning about Indian work practices and 80 % of the expatriates are positive that CCT is very helpful in learning communication strategies and also know how Indians prefer to do business. Finally the conclusion may be drawn that CCT has a positive impact on the expatriates. It is supported by the fact that the study revealed that Less than 10 % of them found no impact of CCT on the business expectations.

Table-4
Work Culture

Parameters	Agree	Strongly Agree	Disagree	Strongly Disagree	Not Applicable
Want to know how to work with and manage Indians effectively	60 %	20 %	10 %	10 %	Nil
To Know the bet ways to motivate Indians in the workplace	69 %	20 %	6 %	5 %	Nil
Want to get a deeper understanding of Indian culture and how it impacts the workplace	50 %	30 %	10 %	10 %	10 %
Need to find techniques for motivating their Indian work force	30 %	10 %	40 %	15 %	5 %
Wish to create better working relationships with their team	50 %	20 %	20 %	10 %	Nil
Learn strategies to cope and manage with the cross cultural issues	60 %	29 %	11 %	Nil	Nil

Source: Primary data

It is revealed from the above table that more than 80 % of the expatriates want the CCT to prepare them to 'know how to work with and manage Indians effectively' and again only 50 % of them expect the CCT to help them 'to get a deeper understanding of Indian culture and how it impacts the workplace' and bare 30 % accept this. It is also interesting to know that only 40 % of the respondents agree that the CCT can help them to find techniques for motivating Indian work force. Most of the expatriates feel that CCT cannot address this issue. Nearly 70 % of the respondents feel that CCT does not help 'to create better working relationships with their team'. Nearly 90 % accept the fact that CCT helps them to 'Learn strategies to cope and manage with cross cultural issues'.

Table-5

A cross culture training program should meet the following requirements

Requirements	Percentage who agreed
Break down cultural barriers	90 %
Open up effective communication in the work place	70 %
Enhance teamwork and collaboration	69 %
Learn how to negotiate cultural differences	85 %
Find effective ways to deal with conflict	65 %
Understand how to operate under differing management styles	63 %

Source: Primary data

From the above table it is observed that majority (90%) of the participants found the impact of CCT to be very positive. CCT plays a very effective role in breaking the ice so to say, breaking down of cultural barriers. On the other hand, CCT was not seen to be very effective in helping the expatriates to understand how to work under differing management styles.

The Participants were asked to describe what stressed them the most during the first few weeks and how they learned to adjust to the local culture. All the participants stated that cultural differences in work attitudes/behavior, plus local norms and regulations, posed the main challenges to their overseas assignments while interacting with the locals and expanding the business interests in the host country. All of them emphasized that even though their English language skills were not strong enough, their knowledge of English still facilitated their adjustment to the local environment. 70 % of the participants revealed that attending post-arrival CCT made them understand the differences between them and the local staff and facilitated their acceptance of these differences in a way that they were gradually able to adjust to the local work environment.

This brief account indicates that the ability to adapt to new cultures is one of the most important elements of a successful international assignment. This is where cross-cultural training can play such an important role. The main purpose of these training programs is to introduce staff to the importance of culture and to sensitize them to cultural differences. They should also make them aware of the inevitable psychological stresses that occur when people adapt to living and working in new cultures. However, they can never be a 'cure-all'. As with all training programs, their success or otherwise rests on the willingness of the participants to learn new skills and aptitudes.

Limitations of the Study

This study is not without limitations. First, it was based on the experiences of a small number of people, thus, it cannot be generalized without further investigation across cultural differences involving greater sample. Second, this study was bounded by the industry or organization type. Third, data collected from the retrospection of the interviewees may result in oversight and gaps that could weaken some of conclusions of the study.

Conclusion

In the future, the growth of global competition will necessitate the continued development of training and briefings for employees. International assignments will probably involve more frequent cross-border jobs and short assignments.¹³

The new generation is much more amenable to learning about other cultures, many have travelled abroad and increasing numbers are embracing international careers. Most are tuned into the global learning possibilities of the Web and many are, technologically, highly literate.

An expatriate who remains in the host country for the entire duration of his/her assignment, and thus is not hit by premature termination, is termed a success.¹⁴ From this perspective, all participants in this study were considered to have been successful. As for cross-cultural adjustment, the questions were directed at what the participants perceived as most stressful while engaged cross-culturally and how well, psychologically and behaviorally, they adjusted to working and living abroad.¹⁵ Questions were also asked about whether or not the CCT they received facilitated their living and working conditions.

13 Price Waterhouse, 1998, Price Waterhouse Coopers is a multinational professional services network.

14 H.C. Ko and M.L. Yang, 'The Effects of Cross-Cultural Training on Expatriate Assignments' in *Intercultural Communication Studies*, XX: 1, 2011, URL <http://www.uri.edu/iaics/content/2011/12Hsiu-ChingKoMu-LiYang.pdf>, (accessed on 11.08.2013).

15 *Ibid.*

Finally, the results of this study support what the past literature survey say about the effectiveness of CCT for overseas assignments in terms of cross-cultural adjustment, cross-cultural interaction, development of cross-cultural competence, and of overall job performance. The findings of the study strongly advocate the CCT as an effective and strong measure to bring down expatriate failure, worth the investment to be considered by the MNCs.