

# Happy Returns

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*The success of repatriating expatriate employees requires forethought and effective management.*

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By Alice Andors

What's the right time to start planning for repatriation of personnel on international assignments? In a perfect world, according to HR practitioners and consultants, it's before they leave for their assignments.

Craig Storti, author of *The Art of Coming Home* (Intercultural Press, 1997), says most expatriates find coming home after foreign assignments more difficult than going abroad. "Expats repeatedly cite repatriation as the area of highest dissatisfaction with respect to organization policies," Storti says. That dissatisfaction translates into an alarmingly high rate of turnover among repatriated employees: Studies have shown as many as 48 percent leave their companies within the first two years back in the home country.

Even during the global recession, attrition among repatriated employees remained high. The *Global Relocation Trends 2009 Survey Report* by Brookfield Global Relocation Services found a 35 percent rate of attrition in the first year of repatriation. Successful repatriation of expats and retention of their valuable talent still challenge HR managers, notwithstanding high unemployment rates and a sluggish global economy.

"Viewing repatriation as a process, rather than an event, is critical to its success," says Peter Rienzi, SPHR, GPHR, vice president of expatriate services at Newark, N.J.-based Prudential Financial. "Too often, organizations wait until the proverbial last minute to decide and communicate the end of the assignment."

Researchers have been studying expat experiences and trends for years, producing mountains of data intended to help HR managers improve their return on expat investment. There's a surprising amount of consensus about what the repatriation process should look like, yet only about half of companies with expat employees have any kind of formal repatriation program. Whether formal or informal, good repatriation programs share several key elements.

## Grasping Opportunity

"The No. 1 issue for expatriates is career management support," says Yvonne McNulty, an international human resources management researcher and an Australian expat living in Singapore. "It cuts across every industry, every age group and every region, regardless of gender." She says a smooth re-entry can only occur when repatriation is addressed before an assignment. "Most expatriates are actually thinking that far ahead in terms of 'Where will this assignment take me in three years' time if I agree to go?'"

According to McNulty's research, expats overwhelmingly cite career development and personal opportunities as their primary motives for taking international assignments. Money and



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remuneration rank lowest on the list, cited by "less than 5 percent of the expats I spoke to," she says.

"If companies want to retain key talent, give them a reason to stay beyond only financial rewards," McNulty notes, such as providing opportunities to leverage international experience in an appropriate and challenging next role. "Expats have a keen sense of the risks that come with undertaking an international assignment—career disruption, family stress, loss of social and other networks, and so on—so it stands to reason they would be looking for some sort of assurances that someone in their company has thought ahead to beyond just the next one or two years." They are eager to use what they've learned to help their companies succeed, and they want their contributions abroad to be valued.

At Guardian Industries, a global glass manufacturer headquartered in Auburn Hills, Mich., valuing expat experience is a core principle. "Employees who have served on international assignments are highly regarded here," says Bruce Cummings, vice president of human resources. "They're the ones we look to first for additional responsibility. They've made the sacrifice, and we have to reward the sacrifice."

Expat assignments at Guardian are of indeterminate length, dictated by business need. Former expat Dana Partridge spent 13 years abroad, first in Saudi Arabia and then in Thailand, progressing from department head to plant manager. In early 2009, Partridge and his family were ready to come back to the United States and requested a transfer.

With no openings for U.S. plant managers, Partridge agreed to take a subordinate position. "I had to be flexible," he says. "I knew I could easily kill a couple of years learning what I didn't yet know about this business until the right job came up." When the plant manager position opened up at the flagship manufacturing facility in DeWitt, Iowa, it was his.

As Partridge's experience demonstrates, career management for expats need not be a formal process to be effective.

"Involve the assignee in discussions regarding possible or likely positions and opportunities to which they might return," says Prudential's Rienzi. "Be sensitive to recognize, where applicable, the differences in scope and responsibilities between the assignment and potential new home-country positions."

In Rienzi's experience, HR professionals' role has become increasingly strategic, helping to integrate the developmental needs of the global workforce with business needs and taking into account the financial costs of moving people. He says expatriate assignments must be "included as part of the organization's overarching talent management strategy."

At Prudential, the company adjusted its talent management strategy in response to the global economic slowdown: The number of short- and long-term assignees from the United States stayed the same from 2008 to 2009, but the number of U.S. assignees from abroad declined as the company temporarily reduced junior-level developmental training in the United States.

## **Keeping in Touch**

Expats often come home to a company that has undergone significant change. Mergers, acquisitions, reorganizations, and workforce contraction or expansion can create unfamiliar power structures, procedures and expectations. Helping expats feel connected while they're away builds loyalty, reduces their stress about the next assignment and makes re-entry smoother.

"Address the often pervasive expatriate fear that 'out of sight' will mean 'out of mind,'" Rienzi says. "It's important that assignees be given opportunities to maintain contact with the organization and their family and friends throughout the assignment." He says managers in the home country should follow the assignee's performance and overall development, tying directly into career management support.

Expats' feelings of isolation and disconnectedness from the home organization are universal. The Society for Human Resource Management's (SHRM) HR Knowledge Center highlights the importance of regular communication with expats as a key component of repatriation. Though electronic communications are useful and effective in keeping expats up-to-date, a SHRM Online HR Q&A notes that "scheduling time for the expatriate to visit the home office is an effective method of increasing the expatriate's visibility." There's no substitute for face time.

Guardian's Cummings underscores the importance of close communication with expats. With facilities on five continents, Guardian has expats in 18 different countries. "We take a lot of ownership of these people," he says. "We know who they are, how they're doing. We keep in touch with them and reassure them. We also know when it's time for them to do something else."

While Partridge was overseas, his mentor was vice president for the Asia/Pacific region. "I met a lot of expats in Saudi and Thailand, and most of them didn't have a 'godfather' or 'mentor' looking out for them," he says. Partridge's mentor informed him of potential opportunities in the region and kept him up-to-date on the company's strategic plans.

The personal approach practiced at Guardian has a direct impact on expat retention, which Cummings places at 85 percent to 90 percent. Cummings spent three separate Easter holidays in Saudi Arabia with expat families, demonstrating the level of involvement and sensitivity that leads to such high retention rates.

### **Reducing Culture Shock**

The sometimes severe reverse culture shock has become one of the most unexpected aspects of repatriation. Gail Rabasca, vice president of global services at Mobility Services International, a provider of corporate employee relocation and international assignment management services based in Newburyport, Mass., says returning expats need a crash course on how to live in their homeland again.

"If they've adapted well in the host country, then 'going home' is not really going home," she says. Children who attended international schools, for example, might lack knowledge of

U.S. history, and those who grew up overseas may have little connection to American teen culture. Even if they return to the same home they lived in before, their lifestyles will be dramatically different. Employers often neglect the real anxieties expats feel and the cultural gaps they and their families will encounter.

Partridge's children spent their formative years in Thailand. Though they visited the United States regularly, they called it "the other world." Moving from a multicultural private school to a Midwestern public high school was a struggle.

Prudential provides expats and their families support on re-entry and offers them home-country cultural classes. "In today's ever-changing cultural and technological landscape, today's home may not be the same as yesterday's home," Rienzi says. Employers should demonstrate concern for family issues such as the timing of school schedules in the host and home countries, he adds.

"This reverse culture shock has far greater effect than culture shock on arrival in the host country because it is so unexpected," Rabasca says. "It can have a devastating effect if not anticipated and addressed before repatriation." She says the investment in culture, career and educational counseling for repatriation is miniscule compared with the cost of an expat assignment, yet companies often do not build such services into their international assignment packages.

Another factor is the expat's spouse's career. So-called trailing spouses often leave careers behind either because of work permit restrictions in the host country or for practical family considerations. Re-entry into a career after a multiyear furlough can be challenging. Spouses often return to radically changed industries and lack skills or knowledge that became essential in their absence. More often than not, their professional networks are weakened or nonexistent.

The *Dual-careers and International Assignments Survey* released by ORC Worldwide in 2008 notes that more companies offer professional assistance—such as securing work permits, for example—to working spouses of expats at the front end of international assignments, but re-entry support for spouses with careers is still greatly lacking.

Rabasca says HR professionals should consider repatriation services for expats and their families as a kind of insurance policy. "It's insurance that the effort, time and money that a company spends on identifying, training and sending an employee on an overseas assignment will not be lost. It's insurance that there will be a return on the investment."

### **Give It Time**

"Don't assume the repatriation is finished when the person is back home and has started the new role," Rienzi says. "There can be a myriad of personal, business and professional needs, anxieties and adjustments that can take months to sort through."

The first weeks and months back are often a whirlwind—moving, unpacking, setting up schooling, and reconnecting with friends and family—and leave little time for introspection. Many

expats say the hardest part of repatriation occurs after several months.

The manager who "makes regular attempts to engage in a dialogue around these issues enhances the likelihood that the valuable resource in which they have invested such a great deal of time and money will remain with them," Rienzi says.

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