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In International HR

find the balance

Repatriation: Do Expatriate Needs Come First?

Depending on the individual's situation, if the expatriate has reasonable expectations and requests, the company might consider a positive response, so long as the decision does not result in unfair treatment for other repatriates

See Kerry Jantzen's complete article below.

Repatriation: Do Company Needs Come First?

Depending on the company's objectives, the expatriate may have to accept the policy terms and conditions or, if necessary, resign from the company and seek employment elsewhere.

We are pleased to announce Mercer's acquisition of ORC Worldwide.

ORC Worldwide's solid reputation and capabilities complement those of Mercer. Together we have strong global positions in mobility services, compensation data, and benefits information.

The ORC Worldwide acquisition is another demonstration of our commitment to provide you the best possible HR information services and solutions.

Creating an Optimal Experience for Repatriating Assignees

Kerry Jantzen

Despite the attention given to the expatriates' situation at the end of an international assignment, returning assignees and their families are not alone in facing difficulties. Employers have concerns, too, although the focus is quite different.

The employer's efforts generally revolve around policy issues, the potential need for negotiating a deal, assigning responsibility for the repatriation process, and finding the employee another position back home or elsewhere within the organization. The expatriate, on the other hand, worries about both immediate and long-term career issues, and resettling the family in the home country.

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featured consultant



Kerry Jantzen

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fast facts

Did you know that **46.3%** of companies do not guarantee a job for an assignee upon repatriation?

Source: Mercer's Worldwide Survey of International Assignment Policies and Practices

The Employer's Perspective

Typically, the human resources function handles repatriation on a centralized basis from headquarters; however, it may be managed by the local host-location office. In optimal situations, the company should have a formal policy for repatriation terms and conditions, rather than having to resort to negotiating details on a case-by-case basis. With a policy or guidelines in place, the company can avoid inconsistent treatment and potential morale issues.

The most significant difficulty faced by management is the need to find an appropriate home-country job for the returning assignee – or a position in another location, should the expatriate agree to accept another international assignment aligned with the company's objectives. Nearly half (46.3 percent) of the participants to the 2011 *Worldwide Survey of International Assignment Policies and Practices* do not guarantee a job upon repatriation. One third do, but it all depends on what jobs are available, while 18.4 percent guarantee a job at the same level. Only 1.8 percent propose that the assignee accept another international assignment.

Other issues that prove challenging, as illustrated in Chart 1, "The Top Repatriation Issues," include:

- Developing an effective career plan that will take advantage of the assignee's newly gained experience
- Succession planning for the incumbent
- Addressing undefined terms and conditions relative to the assignee's new job
- Providing training to address the expatriate's loss of technical know-how during the assignment

The Assignee's Perspective

To learn about the problems faced by returning expatriates and, in turn, make the process less stressful for all parties, it is helpful for companies to implement a formal or informal assignment feedback process, in addition to collected metrics on the attrition rate of expatriates in comparison to home-country employees. When asked how they thought the repatriation process was handled in their organization, participants to the 2011 *Worldwide Survey* responded as follows:

- 7.9 percent stated it was handled "very well."
- 40.9 percent reported "somewhat well."
- 34.2 percent cited "well."

The typical top problems faced by repatriates include:

- Unfulfilled job expectations on return from the assignment
- Loss of the expatriate's managerial independence
- Reverse culture shock, or difficulty adjusting back to the home-country work and social culture
- Changes in the company's organizational structure
- Loss of assignment-related compensation and incentives
- Lack of opportunity to apply new knowledge or skills
- Lack of understanding of the repatriate's situation and reception from peers
- Loss of promotional opportunities while on assignment
- Changes in culture and change of leadership style

The Top Repatriation Issues

- Career planning (32.9 percent)
- Succession planning (25.5 percent)
- Use of skills (16.9 percent)
- Defining terms and conditions of new position (16.9 percent)
- Retaining repatriated employees (13.7 percent)
- Cultural readjustment (1.2 percent)
- Loss of technical knowledge (0.9 percent)

Source: 2011 *Worldwide Survey of International Assignment Policies and Practices*

Returning expatriates also have to cope with different problems that arise in their private lives as a result of the repatriation, for example, the indifference of others to their international experiences. Another issue involves advance notice to the expatriate: For 35.5 percent of participants to the 2011 Worldwide Survey, the timing of notice varies, while 29.5 percent provide three-to-six months' notice, and 21.4 percent, give only up to three months. Key challenges also include:

- Reintegration of children into the home-country educational system
- Loss of former friends and acquaintances
- Reintegration problems with the home-country way of life and value system (reverse culture shock)
- Relocating and finding appropriate housing
- Spousal job search
- Financial problems due to relocation expenses and the loss of expatriate allowances
- Loss of status

A Word to the Wise....

While repatriation is a major issue for organizations and a fundamental part of the overall assignment process, many companies neglect the process in comparison with the time and effort spent on pre-assignment preparation or ongoing assignment support. In these cases, repatriation is left to the assignee to handle, with minimal support offered to help returnees and their families readjust to their life back home and a new position and responsibilities while coping with numerous personal matters.

To help retain and use expatriate skills and knowledge and reintegrate the returning assignee without any adverse effect on performance, management should regularly reevaluate expatriation policies and actively search for new and more effective ways to support assignees through the repatriation process. Chart 2, "Repatriation Assistance for Expatriates," illustrates the type of assistance that organizations today are providing their expatriates at the completion of an assignment.

Implementing proactive tools and practices into the repatriation process should, over time, result in a more positive experience, thereby benefiting employees, their families, and the company itself. The benefits to the company are utilization of skills and experience gained by the assignee while overseas and a return on its investment. For the employee, the benefits are career development and the opportunity to live and work in a new country and culture. As companies increasingly need a mobile workforce to support their business growth, it is important that management, potential assignees, and their families view international assignments in a positive light.

Kerry Jantzen is a Senior Associate for Mercer in the Global Mobility group based out of Chicago. He is responsible for working on global consulting projects, specializing in the development and review of international assignment policies and compensation programs. He advises multinationals on international pay practices and develops a wide variety of expatriate and local compensation packages for clients.

Repatriation Assistance for Expatriates

While 38.7 percent do not provide any assistance, other companies offer:

- Networking and home leave visits on assignment (40.2 percent)
- Information services designated to keep the assignee informed of developments in the home country (20.7 percent)
- Financial assistance (19.6 percent)
- Debriefing and knowledge transfer (14.2 percent)
- Mentors (9.6 percent)
- Further job education (8 percent)
- Re-acclimation assistance (7.3 percent)

Source: 2011 Worldwide Survey of International Assignment Policies and Practices