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**The role, attributes and implications of effective international managers**

# Introduction

In the era of economic globalisation, there has been proliferation of multinational enterprises which are seeking entry into new global markets through subsidiaries and joint venture. This has necessitated demand for expatriate managers. Expatriates are considered useful by the parent companies in areas where knowledge transfer is necessary. They are essential in transmitting the corporate culture of the new company to the new organisation in case of ethnocentric firms (Perlmutter, 1969). However, study by Graf (2004) highlighted that failure rate among the international managers was very high. More than half of the expatriate managers were not successful in the international assignments making the company lose their investments in the host countries. Organisations are therefore willing to spend resources in the selection of the appropriate international managers.

This discourse evaluates the aspects that make effective international managers distinct from other managers. Apart from having the basic managerial skills, international managers are expected to have exceptional skills to manage diverse teams. This essay focuses on the traits that differentiate international managers such as adaptability, flexibility, open mindedness and multi language competence. This study critically discusses the literatures on international human resource management outlining the role of international assignment, the attributes that successful international managers have as well as the selection criteria for international managers. The final part contains the conclusions and recommendations of the study.

# 2.0 Role and contributions of international managers

The main roles of the international managers are strategic partnership with the parent firm, change management, leadership or administration and human resource management (Takeuchi and Chen, 2011). Firstly, in the strategic partnership role, the international managers have a responsibility of fostering a strategic relationship between the foreign firm and the parent company (Briscoe, 2011). They are expected by the parent company to achieve the organisation goals and offer value to the parent company.

Secondly, the international manager has a responsibility of change management. The international managers need to carry out change management in order to align the organisations corporate culture with the parent company corporate culture. The international manager must therefore be a change agent capable of effectively managing change.

Thirdly, the international managers have a role of selecting and hiring appropriate staff to work in the foreign country (Hollinshead (2010). The international manager is therefore expected to be well versed with local labour laws and the staffing gaps present in the foreign firms. The international manager has the role of determining whether to hire local employees or expatriates for certain organisational roles (Dowling, Festing and Engle, 2013).

The international manager also contributes to the foreign operations through leadership. Managing international teams is a demanding task as the team members are from distinct nationalities, have diverse backgrounds and cultures and languages. Misunderstandings, conflicts, miscommunication can lower the performance of such teams if the managers are not competent in managing international teams (Hollinshead, 2010). Therefore, leading a cross culture teams with different leadership orientation and cultural background is a major role of the international managers. They are expected to provide direction, create harmony as well as motivate local employees to deliver results (Hollinshead, 2010).

In their role of human resource management, the international managers also contribute to the MNE foreign firm through skills and knowledge transfer to the host country nationals. In many instances some of the subsidiaries are in developing countries where skilled about is limited. The international managers have to train and equip host country nationals with relevant skills needed by the organisation (Briscoe, 2011).

# 3.0 Attributes/ Conditions of effective international managers

According to Smith (1992) “*effective international managers were said to be those who were adaptable, flexible, open-minded, speaking in foreign languages, and making friends with those of many nationalities*.” According to Drewhurst (2012) adaptability was the mental toughness that the expatriate managers possess to withstand stressful circumstances in the new country. It is how emotionally stable the manager was to deal with stress, uncertainty, failure and frustrations that encompassed international assignments. Effective international managers were highly adaptable to various cultural and geographical contexts. For instance in developing countries, labour relations were different from the one in developed countries. Some countries such as Brazil had strong labour relations and every company had their labour union. They had to have the mental capacity to accommodate and accept labour unions as well as learn how to negotiate with the unionised members.

Holopainen and Björkman (2005) noted that flexibility entailed fitting in new and different circumstances by doing new things that fit the new environment. It also includes the ability of the managers to accommodate new ideas and new strategies which have never existed before in the new markets (Holopainen and Björkman, 2005). They developed policies, products and services and corporate cultures that were in line with the new country’s culture and consumers demands. One of such companies whose managers have been successful include KFC in China which offered local menus in their restaurants which was a departure from what other KFC restaurants offer in other outlets. The local menus were well received by local customers who were satisfied with the local meals offered in KFC restaurants (Stahl, 2011).

Jordan and Cartwright (1998) considered openness was considered by the international managers as ability to accept new behaviour, norms and pattern of other people and modifying one’s own behaviour to make it congruent with the acceptable norms. International managers who easily embrace the local behaviours and norms easily interacted with the local people and won their trust (Perlmutter, 1969). Open minded managers were noted by Briscoe (2011) to entrench corporate culture that included aspects of local cultures. Broad minded managers had open policies towards aspect such as national holidays, types of compensation offered to the employees as well as titles and privileges offered to the senior local employees working in the country (Ross, 2011). For instance multinational companies in the developing countries such as General Motors usually purchased vehicles for their managers as this is the norm in the developing countries.

Successful international managers also had high level of language competence. The international managers were identified by Holopainen and Björkman (2005) to be multilingual. They had the ability to speak several foreign languages fluently. In addition they were also knowledgeable in international languages such as English, German French and Chinese.

# 4.0 International recruitment and selection criteria

Smith (1992) criteria for recruiting and selecting effective international managers highlighted adaptability, flexibility, openness and language competencies as the criteria for selecting effective international managers.

**Why the criteria are valid**

The first criterion was adaptability. It entails ability to cope and work in different environment and conditions (Selmer, 2002). Adaptability also includes cross cultural adjustment to the host countries cultures, behaviour and norms. Adaptability was valid because it allowed the international managers to adjust and respond to cultural shocks with low anxiety as well as learn about the new environment. Some of the successful managers in include P&G CEO Bob McDonald had to use expatriate employees to work in the company’s plant in China. The manager assisted the international employees to adapt by having trainings on local languages and dialects in order to communicate and understand the local people needs.

The second criterion was flexibility. Flexibility was valid as because it enabled the international manager to change the company’ products and processes so that they can be appropriate for the local people (Hollinshead, 2010). Flexible allowed managers to quickly identify and change aspects of their business which were appropriate for the local population and those which were not appropriate. P&G CEO Bob McDonald had to change company’s advertising to feature local people and celebrities. Previously, the company’s adverts were featured western celebrities and were in English language hence locals could not understand the messages (Hollinshead, 2010).

Openness was the other criterion which was considered when hiring successful international managers (Leung et al, 2005). Openness enabled international managers to be broadminded and accommodating to new people, opinions and different ways of doing things. Openness was valid because open minded managers were sensitive and accommodative to personality differences and cultural differences. They were also curious to learn about the new environments and cultures which made them distinct (Briscoe, 2011). Open mindedness assisted international mangers to able to form strong cross cultural teams through friendships and appreciation of the employees’ diversity. It also enabled the managers to develop close relationship with the local staff and employees and to motivate them (Harzing and Pinnington, 2014). Critics of this approach were organisations that were ethnocentric considered open mindedness as likely to affect their strategy negatively.

Foreign language fluency is the other criteria. It involved the ability to learn foreign language easily. Selmer (2001) noted that there were instances where the managers were needed to learn a foreign language prior to pre departure to foreign countries. Managers with local language mastery could easily understand the needs of the local people by communicating to host country customers and stakeholders in their own language. Speaking to the host country customers in their language and stakeholders appealed to customers and stakeholders to interact with the international managers. Mastery of foreign language reduced misunderstandings brought by language differences. It also enabled managers to communicate the mission and vision of the organisation to local people more accurately. Successful international managers in China such as David Brook and Bob McDonalds are fluent in Chinese language.

Being friends with those of many nationalities was necessary for international managers as it enabled them to network with different people. This ability helped managers to be good negotiators capable of making deals and forming alliances. Friendly international managers were liked by the employees and enabled the manager to easily adapt to the new country.

*Why the criterion was not valid*

Adaptability has however been criticised as an attribute which are difficult to evaluate and even identify when hiring the human resource managers. It can only be identified by counterchecking the managers’ previous performance in different international assignments. It was also difficult to assess and determine whether the manager was flexible as different countries demanded different levels of flexibility (Dowling, Festing and Engle, 2013). Being flexible in one country did not always lead to success in another country. It was also complicated for the organisation to evaluate openness as it could only be demonstrated by observing the potential managers in real work environment (Jordan and Cartwright, 1998). Harzing and Pinnington (2014) criticised foreign language competence as a criteria for hiring international managers by noting that managerial skills could not be compromised at the expense of lingual competence. Language was nevertheless a competence that differentiated average international managers from the successful international managers (Tayeb, 2005).

The criterion was also limited as it did not factor other critical competencies that international managers should have (Gabel, Dolan and Cerdin, 2005). Some of the critical competencies included the international knowledge, global risk management and information technology capability. The manager should have knowledge on the international macro economic factors. The manger should be aware of the current geo political issues, as well as economic and social trends in the globe. Effective international should also be posses global risk management skills to enable them deal with unfavourable macro economic factors and global uncertainties. The managers should be competent in information technology. They should have skills in database management, information management and global communication (Priolo, 2011).

# 5.0 Implications of international assignments

The international assignments have implications on the firms staffing and hiring practices. The success of the international assignments depends on the individual competences as well as organisational support (Takeuchi and Chen, 2011). When the firm is recruiting for international assignments it should consider employees personality to determine whether they are fit for the role. Previously firms focused on employees’ skills, experience and level of education. However, for international assignments it is clear that other competencies such as flexibility and adaptability are not education based competencies. Rather they depended on international exposure and employee will power to adjust to new environment. Employees must therefore pursue these competencies such as foreign language fluency and flexibility on their own (Stahl, 2011).

The organisation too has to support the employees to by giving them international exposure through the international assignments. This can be done through employee exchange programs and expatriation. The company can also organise cross cultural training and development forums to train employees about other cultures (Black, 1998).

# 6.0 Potential challenges of international assignment

Graf (2004) noted that international managers faced challenges in international assignments such as relocation challenges and cultural shock. Such challenges demanded managers who are quick to adapt to new environments and cultures. Charle Associates (2015) noted that circumstances in the host country were usually distinct from the conditions in the parent country. Also infrastructures in some of the host countries especially developing countries are poor making the working conditions for the expatriates difficult (Heaps, 2012). Usually expatriates from parent countries have cultural superiority which makes them consider their cultures as superior to those of the host country nationals, a perception which hinders the parent country nationals from adjusting their world view and accept the local culture as important (Tayeb, 2005)*.* Perlmutter (1969) considered organisation that perpetuated this superiority complex among parent company employees as ethnocentric. Failure to adjust to the local culture demands leads to interpersonal conflicts and poor performance of the international manager due to conflicts with the host country national employees and other stakeholders who have influence on the success of the business (Gabel, Dolan and Cerdin, 2005).

Lack of organisational support was noted as a challenge towards successful international assignment. Organisation support entailed processing work permit, offering counselling programs, and provision of logistics. Other forms of organisation included retraining and provision of club memberships. Lack of this support was noted to lead to underperformance of the international manager (Berry, Kim and Boshi, 1998).

The other challenge related to the taxation polices. In some instances, the expatriate may incur double taxation from their parent country and form the host country. Streamlining the taxation of expatriates is a difficult exercise which takes long time (Berry, Kim. and Boshi, 1998). The expatriates may be demoralised as the human resource department may take long duration to harmonise the taxation leading to double taxation of the expatriate.

Family relocation challenge is another factor that affects international managers. Spouse and children relocation is an expensive task. The international managers’ family may also be unable to adjust and fit to the new environment making it difficult for the manager to adjust and perform the assigned tasks effectively (Takeuchi and Chen, 2011).

# 7.0 Conclusion

International assignments were identified as necessary in helping the firm expand markets in foreign countries as well as train workers in the foreign countries. The study has identified that successful managers had certain personality attributes which were considered as essential to their success in the international assignments. The international managers were found to be adaptable to the new environment. They easily coped with stressful situation and frustrations in the new environments. They also learnt the host’s country culture and adapted to the social expectations of that country. Successful international managers were also noted to be open and accommodating to the new cultures. They easily learnt the new behaviours and norms of the new environment and also accepted to be corrected by the locals. The international assignments were noted to be challenging due to difficulty in adjusting to the new environment leading to poor performance of the expatriate manager. Taxation challenges also demoralised new expatriate managers. Also family adjustment was identified as challenge which affects the international managers.

# 8.0 Recommendations

As identified in this discussion, the successful international managers have certain characteristics and appeals which differentiate them from average managers. These skills are different in that they ensure that the managers have distinct capabilities and traits which make them different from the average managers. This agrees with Smith (1992) proposition that international managers have to be flexible, adaptable, multilingual, sociable, and open minded. When hiring the international managers, multinational companies should endeavour to hire managers who have these skills. The company should hire managers who have proved to be culturally sensitive and adaptable to new environments (Takeuchi and Chen, 2011).

The company should then train potential international managers on cross cultural adjustment through field experience and language training. In addition the company should support the expatriates to adjust to the new roles by providing support for visa application, tax management and transport to the new country (Hollinshead, 2010).

The company should also hire managers whose families are willing to relocate with them to the new countries to prevent emotional conflicts from affecting managers’ performance

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