

Can You Afford International Assignment Success?

A Business Case for Investment in Cultural Assessment and Training

BY MICHAEL F. TUCKER, PH.D., CMC

Why is it that some people assigned to live and work internationally perform very well, are satisfied with their assignments, and are valued by their organizations, and some do not do so well? Are those who adapt well to the local culture the same ones who do their jobs well? Providing cultural assessment and training seems to be a nice thing to do, but is there a way to justify the expense? In this article, Tucker provides some answers to these questions based on large-scale field research and more than 40 years of practice in assessment and training for international assignments. It is written for organizations striving to be the best they can be in their global markets through effective talent management.

A study, “The Definition, Measurement, and Prediction of Intercultural Adjustment and Job Performance Among Corporate Expatriates,” which appeared in 2004 in the *International Journal of Intercultural Relations*, was conducted to investigate the relationship between job performance and intercultural adjustment. The study sample was 100 expatriate employees, working for 17 different organizations and working in 29 countries. Job performance was measured by means of a highly reliable, multi-item scale that included the following areas:

- technical and management approach;
- development of working relationships;
- working well with local nationals;
- working at high levels despite unfamiliar constraints; and
- knowledge and technology transfer.



Intercultural adjustment was measured by means of similar highly reliable, multi-item scales. Six factors of adjustment were measured, as follows:

1. Acceptance of the foreign culture, showing respect, and not criticizing.
2. Knowledge of the culture, its history, traditions, and current events.
3. Affect or feelings about the culture, oneself, and the assignment.
4. Lifestyle adjustment to engage in satisfying, reinforcing activities.
5. Interaction with foreign people and forming relationships.
6. Communication in the language as much as possible, as well as recognizing and using non-verbal signs and gestures.

The job performance scale was compared to the intercultural adjustment scales. The results showed that some 45 percent of the variance in job performance was accounted for by intercultural adjustment. This finding was beyond a chance occurrence at the level of more than one in 1,000. This meant that those who were adjusting to the 29 foreign cultures successfully also were performing their jobs well, and vice-versa for those not doing well.

Predicting Intercultural Adjustment

We have strong evidence for the relationship between adjustment and job performance. How can we predict beforehand who will adjust well and who will not?

In the study cited above, the 100 expatriate employees, along with 57 spouses, had completed assessment scales administered by Tucker



International before departing on their international assignments. These scales were very successful in predicting the six factors of intercultural adjustment (again beyond chance occurrence of less than one in 1,000). This finding was consistent with a series of similar studies con-

ducted during the past 35 years. This predictive relationship is illustrated in the chart below.

This field research provides strong evidence that

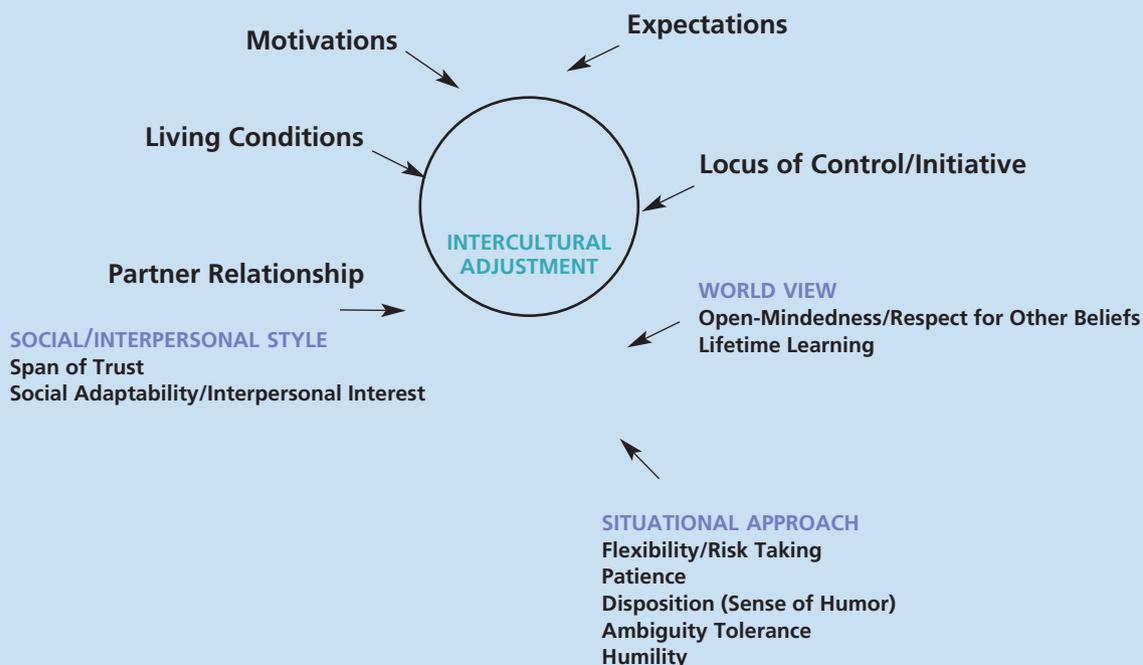
1. expatriate job performance depends to a significant degree on successful intercultural adjustment; and
2. intercultural adjustment can be predicted beforehand.

Therefore, when these predictor scales are used for assessment and development of potential expatriates and their spouses, there is a good chance of successful intercultural adjustment as well as effective job performance on the international assignment.

Intercultural Training

An important part of this development process is high quality intercultural training. Such training targets

PREDICTION MODEL



the strengths and weaknesses identified in the assessment scales and provides participants with individual “road maps” for successful adjustment and job performance. This type of training is quite different than the “cultural orientation” programs that are so common today, where one trainer and perhaps one resource person spends a day with the expatriating employee (and sometimes spouse or partner; see the March 2003 *MOBILITY* article, “The Commoditization of Intercultural Services”). As shown on page 78, high quality training is customized based on thorough needs-assessment, is two to three days in length or longer, is delivered by a senior master trainer supported by several specialized consultants, and is evaluated both short and long term. When delivered for one employee (and family, including youth) on a private basis, these programs are more similar to executive coaching sessions than they are to orientations.

Calculating Return on Investment

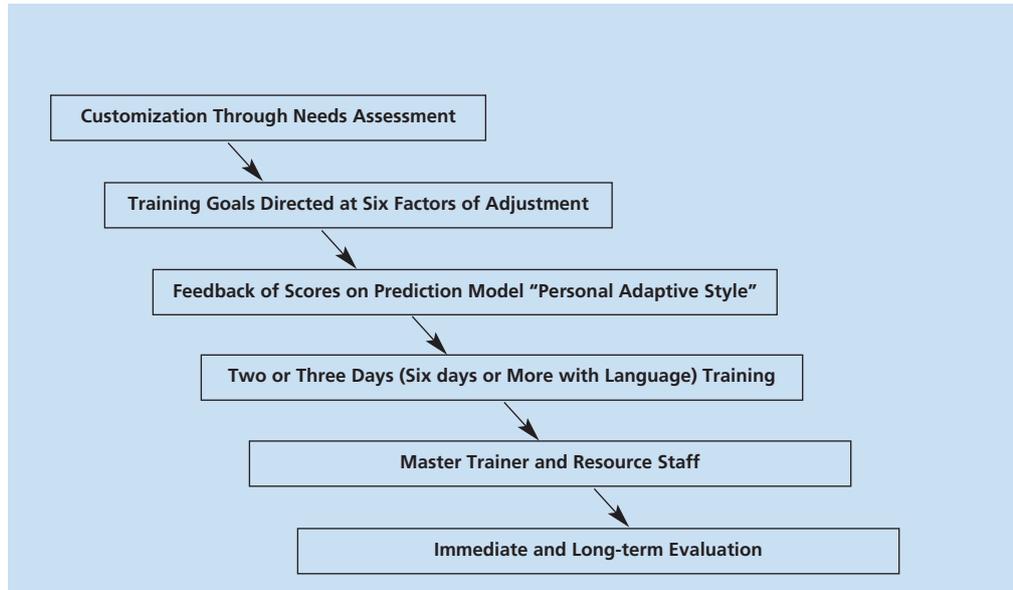
We now have the elements necessary to calculate return on investment (ROI) in cultural assessment and training. This is illustrated below.

Return on Investment (ROI)

Assumption: Conservative total cost estimate of a two-year expatriate assignment = \$1 million

Amount Accounted for:

\$1 million X .45 = \$450,000 of an expatriation cost can be insured by achievement of the six factors of inter-



cultural adjustment and job performance through intercultural assessment, development and training.

Investment Cost:

- International Mobility Assessment (IMA)
- Intercultural Competency Assessment Tucker Assessment Profile (TAP)
- Intercultural Training

Cost = \$10,000 for a family of four

Calculation:

\$1,000,000	expatriation cost
\$ 10,000	investment
\$1,010,000	total cost
\$ 454,500	45 percent of total cost accounted for
Present value	\$ 10,000
Future value	\$454,000
Years	Two
Results	574.17 percent

(author’s note: discount rate calculation available at http://www.moneychimp.com/calculator/discount_rate_calculator.htm.)

A Strong Business Case

This return on investment of nearly 574 percent makes a strong business case for investing in intercultural assessment, development, and training. We now have some answers to the questions posed at the beginning of this article.

A major part of the reason why some people do well on their international assignments and why some do not is the quality of the assessment, development, and training that they receive in preparation for the assignment. Those who adapt well to the local culture are indeed the same ones who do their expatriate jobs well. And finally, assessment, development, and training is not only a nice thing to do, but there is a strong business case for the investment. ■

Michael F. Tucker, Ph.D., CMC, is president, Tucker International, Boulder, CO. He can be reached at +1 303 786 7753 or e-mail mft@tuckerintl.com.

On the Web

To learn more about cultural and language training, please visit www.WorldwideERC.org.

Language Acquisition—Living Versus Learning
www.WorldwideERC.org/Resources/MOBILITYarticles/Pages/1005massoud.aspx

Culture and Communication 101
www.WorldwideERC.org/Resources/MOBILITYarticles/Pages/0510-Dubberke.aspx

More Art Than Science Selection and Preparation for the Global Assignment

www.WorldwideERC.org/Resources/MOBILITYarticles/Pages/0508stuart.aspx

The Commoditization of Intercultural Services

www.WorldwideERC.org/Resources/MOBILITYarticles/Pages/0303tucker.aspx