Introduction and Objectives

International assignments serve many purposes for multinational corporations. At the tactical level, they facilitate global business by allocating human capital effectively—putting the right person in the right job. Today, companies are paying increased attention to international assignments as a strategic tool for developing employees with promise. The benefits to the organization and the employee may be secondary and delayed, but they are nevertheless universally acknowledged.

In the real world, there is often a contrast between (1) a company’s intent to use relocation as a tool to support the development of their human resources and (2) concrete verifiable plans to advance this goal. All said, the links between talent management and mobility are not confined to developmental assignments. There is also a shift in organizations as they begin to focus strategically on what happens to employees with international experience during and after an assignment, with particular emphasis on maximizing the return on investment.

The purpose of this survey, then, is to investigate the ways companies say they use mobility to further their talent management goals, with special attention to both best practices and pitfalls.

To approach this task, we focused on three points in time—before, during, and after the employee’s international assignment—to help assess the degree to which talent management planning actually found its way into the process and, ultimately, how successfully companies achieved employee development goals as a result of the assignment.

The survey was conducted in August 2008 and attracted responses from 56 companies, including many of the world’s largest and most thoroughly global organizations.
Phase 1. Selection and Preparation

To understand how companies use mobility strategically, we first need to know how they determine which employees will be sent on international assignment. Respondents were asked to identify the top two criteria for selecting employees for international assignments (see Chart 1). The strong majority of companies chose technical competencies (72%) and job experience (65%) over the next highest rated reason, willingness to accept the assignment (24%), showing a decidedly tactical decision-making rationale. Only 9% of respondents mentioned developing talent as one of the two top selection criteria.

CHART 1. Criteria for Assignment Selection (Top 2)

This pragmatic focus on deployment does not necessarily conflict with a broader focus on talent management; each has its own distinct priorities. Deployment encompasses such issues as:

- Opening new offices or markets;
- Transfer of skill or knowledge;
- Filling a talent gap; and
- Allocating an employee with experience in the local culture.

On close examination, all of these relate more closely to the receiving parties or office location than to the assignee.

On the other hand, a strategic focus emphasizes:

- Career development;
- Global workforce development;
- Leadership development; and
- Succession planning.

All of these are issues with the assignee’s professional growth and the company’s leadership development at their roots.
Regardless of the motivation for the assignment, the assignee’s suitability to perform effectively plays a key role. As Chart 2 illustrates, companies consider current and past assignees to be best prepared in general business issues, and least prepared in issues specific to the new location. Prior research by Cartus indicates that these local issues are most highly associated with assignment difficulties and failure, thus indirectly posing a serious obstacle to any goals, tacit or explicit, of developing the employee.¹

**CHART 2. Degrees of Assignee Preparedness**

<table>
<thead>
<tr>
<th></th>
<th>Best Prepared</th>
<th>Least Prepared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skills/technical capabilities</td>
<td>83 %</td>
<td>2 %</td>
</tr>
<tr>
<td>Knowledge of assignment objectives</td>
<td>54</td>
<td>9</td>
</tr>
<tr>
<td>General international business capabilities</td>
<td>33</td>
<td>28</td>
</tr>
<tr>
<td>Knowledge of host country business environment</td>
<td>13</td>
<td>56</td>
</tr>
<tr>
<td>Ability of family to adapt</td>
<td>7</td>
<td>44</td>
</tr>
<tr>
<td>Knowledge of host country culture</td>
<td>7</td>
<td>58</td>
</tr>
<tr>
<td>Don’t know</td>
<td>6</td>
<td>9</td>
</tr>
</tbody>
</table>

* Multiple responses possible.

Nearly two-thirds of respondents agree that cultural adaptability traits enter into the selection of employees for international assignments (see Chart 3). And yet they consider assignees least prepared in this general area (refer to Chart 2). One could argue that these assignees could be culturally adaptive without having knowledge of the host country and business environment, but it is doubtful that companies would make such a fine distinction. It is more likely that the lack of preparation for employees about to go on assignment results from the fact that they are not offered, or do not avail themselves of, the training that would increase their effectiveness in this key area.

**CHART 3. Agree/Disagree: Cultural adaptability traits enter into the selection of employees for international assignments.**

In this vein, two out of three companies report that they offer formal training in two other important areas: intercultural (69%) and language (63%). Only 20% offer business briefings, however, even though knowledge of host country business environment (at 56%) ranked just behind knowledge of host country culture (58%) as the area where they considered assignees least prepared.

In Cartus’ experience, we find that selection is most often conducted by the business unit in need of an assignment and with very little advanced notice or coordination with L&D or the Global Mobility team. If the majority of companies are using technical skills and job experience as their primary selection criteria, then Cartus recommends supporting the employee’s training in the areas of knowledge of host country business and culture through coaching, online tools, and/or traditional training programs as a logical post-selection strategy, if not requirement. In doing so, the company adjusts to the reality of a less defined selection process and creates a strategy of assignee support via preparation post-selection instead of pre-selection criteria or support during selection.

**Phase 2. On-Assignment Communication**

It goes without saying that employees enter international assignments with clearly stated goals; only 15% of respondents disagreed with this premise (see Chart 4). Likewise, 85% of respondents agreed that assignees have annual performance evaluations completed while on assignment.

**CHART 4. Agree/Disagree: Clear performance objectives are formally established, articulated, and communicated to assignees prior to the assignment.**

Responses to two other questions cast doubt on how effectively companies believe assignees are monitored or managed, however. A full 35% of respondents disagreed with the statement: home location managers know how successfully assignees are adjusting and performing. Similarly, 35% disagreed with the statement that assignees meet frequently with their managers or HR to discuss assignment objectives, goals, and career planning. Nearly one-third of these (10% of total respondents) disagree strongly with this statement.
Companies were then asked about their expectations for contact with employees on assignment (see Chart 5). While 13% said that guidelines for interactions with home managers are in place, not one company reported a formal requirement. The general conclusion one can draw is that, from a strategic point of view, the employee enters a less structured environment, perhaps out of necessity, once the assignment starts, with predictable implications on the company’s ability to leverage the employee’s experience to its own benefit.

A strategic talent management approach to addressing this finding—one offering a quick win—would be to establish communication requirements and tools to support those requirements. These should include guidelines that define roles and responsibilities for assignees and home country managers, sponsors, or HR, providing support instead of a dependence on luck. Unfortunately, “out of sight, out of mind” is the reality for most assignees without a formal process and strategy. Creating roles and responsibilities for communication between assignees and their home managers or sponsors is part of an assignment related Return on Investment strategy.

CHART 5. Interactions With Home Managers During the Assignment
Phase 3. Repatriation

To measure the degree to which returning employees and their employers profit long-term from the assignment, we asked companies to agree or disagree with two related statements (see Charts 6 and 7).

**CHART 6.** Agree/Disagree: The general impact of an international assignment on a repatriated assignee’s career is positive.

In a similar fashion, less than one-third of respondents agreed that the assignee or the company made positive use of the investment in the employee. On the other hand, just over half (52%) agreed that the general impact of an international assignment on a repatriated assignee’s career is positive and 57% agreed that their company values the skills acquired from international experience in actual practice. Thus, almost twice as many say they value (57%), as oppose to understand, (30%) what assignees gain from the assignment experience.

This dichotomy is explained in part by a general consensus among multinational corporations that international assignments contribute not only tactically to the company’s need to get a job done, but also strategically to the development of the assignee as a current or future leader. Underscoring this view is that fact that companies see developing future global leaders and career planning as the two areas (47% each) where
international assignments are linked to general talent management initiatives at present (see Chart 8), even though they do not, on the whole, point to initiatives in place to support this goal.

**CHART 8. Links Between Assignments and Talent Management**

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing future global leaders</td>
<td>47 %</td>
</tr>
<tr>
<td>Career planning</td>
<td>47</td>
</tr>
<tr>
<td>Meeting assignees’ career development expectations</td>
<td>31</td>
</tr>
<tr>
<td>Performance management</td>
<td>27</td>
</tr>
<tr>
<td>Retention initiatives</td>
<td>8</td>
</tr>
<tr>
<td>Not at all</td>
<td>10</td>
</tr>
<tr>
<td>Don’t know</td>
<td>14</td>
</tr>
</tbody>
</table>

The survey points out, however, that companies often do not have a clear notion of how talent management actually transpires and, indeed, of the extent to which assignees are retained by the company. Systems for tracking and evaluating assignee growth are frequently *ad hoc*, and processes for repatriating assignees effectively are often missing, leading to lost opportunities and attrition that is well documented in other studies (including Cartus’ 2007 *Global Mobility Policies & Practices Survey*).

The divergence between intent and result is also illustrated by the fact that, on the one hand, preparation for repatriation begins most commonly a full six months in advance, while, on the other, only 11% of respondents agreed with the statement that *global mobility/HR monitors and tracks the retention and/or career progression of the returned assignee for a designated period after the assignment ends*, none of them agreeing strongly with this statement.

Cartus does see a slow but positive shift in this area that is being driven by a few changing variables:

> Leadership Organizations are hiring employees in critical emerging markets, such as India and China, where (1) a talent shortage requires retention measures and (2) a management skill shortage drives developmental assignments for these employees.
> Global Mobility no longer sits exclusively under Compensation and Benefits. We see more Global Mobility teams sitting under the Talent Management, People, or Human Capital teams.
> Talent Management initiatives in many organizations are becoming priorities and it is good timing for Global Mobility to be an integrated part of these larger initiatives.
Best Practices

In recognition of the difficulty of linking international assignments with the strategic goals of talent management, a number of companies commented on successful initiatives they have undertaken in this area. Implicit in a number of these comments are approaches that could be considered best practices and worthy of study.

Comments on Successful Initiatives

► We successfully track international assignment history in our internal talent management system. We are in the process of building reporting to pull data from various internal tools (talent management, performance tracking, and HR system) to better track ROI international assignments. This goal is to track the repatriated employee’s pay and job grade increases after the assignment as well as [the] duration an assignee stays with the company after repatriation.

► [We] recently installed a Global People System to help plan for and catalogue employee skills and experiences, including global assignments. Regular discussions occur at Talent Pool meetings concerning global assignees and future global assignees.

► We have established an Expatriate Assignment Management Committee [EAMC] charged with high level oversight over the expatriate population. One of the main goals of the group is to ensure that repatriation planning is occurring well before the actual repatriation is to take place. We use a red/yellow/green light approach, where those on assignment for 2-3 years are actively discussed and where next assignments have not be identified, that the conversations are initiated. For those on assignment greater than 3 years [it is] the same process, but more urgent in terms of ensuring that a plan is in place. The EAMC is not responsible for the actual individual planning, but rather ensures that the appropriate management groups are planning, and communicating those plans back to the EAMC.

► The type of assignment policies selected for each employee plays a major role in their career development—for instance if the selected plan is meant to send [the] employee off on an assignment for the sheer experience of working in that diverse culture or if the plan selected is meant to increase operational exposure and benefit the business’s needs.

► In the past three years, we have required performance reviews to be completed in coordination with home and host management.

► We are in the process of developing a more disciplined strategy to link mobility to talent management. Under consideration:
  > Including expats in our name-by-name talent reviews
  > Assigning and reviewing home/host country managers or sponsors
  > International mobility toolkits to share best practices in repatriation.
Looking Forward

When companies were asked what current or future challenges they anticipate in mobility supporting their company’s talent management goals, a number mentioned highly strategic issues that point in one way or another to a need to integrate global mobility into a higher level approach to managing the organization’s human resources.

Comments on Challenges

► [We are] currently reviewing [our] entire global mobility vision and plan to develop a more robust and comprehensive practice for leadership development, global retention, and career/personal development.

► This is becoming a very important issue...something management has not been interested in until now.

► Our main challenge is to gain executive buy-in on a restructured policy that will be flexible enough to meet the talent management initiatives that vary between business groups, support cost efficacy initiatives, and promote consistency in Global Mobility philosophy across the company.

► With staffing changes and restructuring of our mobility group, there is a clear intention to increase collaboration between our group and other involved in talent management. The challenge in this will be to shift the organization’s perception of the group away from simply administering our internal assignment and movement policies to partnering with leaders and employees in proactively leveraging mobility in leadership and employee development.

► Integrating Global Mobility into siloed talent management systems.

► The need to link international assignments and talent management. [Our] program is reactive rather than proactive.

► We need to have talent management and mobility start working together to generate successes for the expatriates.

► Our talent management strategy is not very well defined, therefore mobility is not a part of it. Big challenge.

► Recently the Global Assignment program was moved into the Talent Development area of our company. The plan is to have a stronger link to career development, succession planning, and leadership development.

► Getting buy-in from managers to look beyond [the] immediate need for technical skills and how the assignment can assist the entire organization if managed well.

► Insufficient ownership for expats while on assignment and lack of a natural “owner” on a macro basis for driving this more disciplined approach.

► The challenge on staffing with your best people when your best people are in a demographic that isn’t necessarily interested in going international. Showing these individuals that the international assignment is valuable to the organization and will ultimately be valuable to the assignees.
A Strategic View

Looking at the relationship between mobility and talent management at a deeper level, companies clearly agree on the importance of this linkage but are challenged in creating practical strategies for using international assignments to benefit the company or its employees long-term. Combining an assessment of survey data gathered and comments offered, companies point to the following difficulties:

1. Integrating HR and its insights into the company’s senior management perspective, planning, and decision making;
2. Tracking information globally on the experience of assignees during and after the assignment; and
3. Creating an objective way of defining talent management criteria to attempt to develop in assignees and applying those measurements to gauge the effectiveness of mobility as a talent management tool.

Obviously, companies typically see the principal motivation for international assignments as accomplishing a defined task at the destination location. Thus, few assignments are justified purely on the basis of finding a way to expose a promising employee to a global business environment.

Nevertheless, a number of companies were clear in describing the gap between their future goals and the current reality in terms of linking assignment-related experience, i.e., working in new geographies and cultures, with the larger issue of developing the company’s management talent. The inescapable conclusion is that while this linkage remains difficult to achieve, a number of companies are moving in this direction and the mandate is coming from the overall Talent Management imperative. As not a few comments from respondents show, recognition of the challenge is increasing and practical initiatives to promote talent management through mobility are being designed and implemented.