Re-engineering the Expatriate Deployment Model in the Indian Information Technology Industry

[1] Prof. Raghavendra A.N., [2] Dr. Nijaguna G.

Assistant Professor – MBA, Krupanidhi School of Management, #12/1, Chikkabellandur, Carmelaram Post, Varthur Hobli, Bangalore – 560035
Principal, Bangalore Institute of Management Studies, No.35, Opp RV College of Engineering, Mysore Road, Harsha Layout, Kengeri Satellite Town, Bengaluru, Karnataka 560059

Abstract: *Expatriate deployment is an important construct in international human resource management research because the planned expatriate deployment can enhance organisational effectiveness and efficiency thereby resulting in superior performance of the host country organisations. However there is limited research on the expatriate deployment in information technology (IT) industry. Hence a study is undertaken to identify the problems of expatriate deployment in Indian IT industry, propose solutions for the same and consider the issues of implementation of the proposed solutions. The results indicate that burnout, expatriate adjustment, spousal adjustment and premature return are the main problems faced in the expatriate deployment of Indian IT industry. Thus, it is proposed that the IT companies in India need to focus on objective evaluation of the expatriate's role by providing structural support to the expatriate's spouse and or family. Finally it is suggested that Indian IT companies have to evaluate their internal cultures in order to prevent expatriate failure.*
Key Words: *expatriate, burnout, spousal adjustment, transformational leadership, intrinsic motivation*

I. Introduction

An expatriate is a worker from one country who has travelled to another country in order to fulfil a new international role for his company. The purpose of the present paper is to consider how the expatriate deployment model within the Indian information technology (IT) industry can be re-engineered in order improve the performance and other outcomes related to expatriates in the industry. The paper will proceed through three main parts. The first part will describe the nature of the problem at hand; the second part will propose a solution to the problem; and the third part will consider issues regarding implementation of the proposed solution. The main point that will be made is that expatriates in the Indian IT industry should be actively integrated into the organizational structures of companies, such that they are considered as holistic individuals and not merely as an employee fulfilling a given function. This kind of integration will help offset several of the potential factors that can lead to expatriate failure.

Before continuing, though, it would perhaps be appropriate to comment briefly on the international business situation of India in general. India, of course, has a history of business and trading that stretches all the way back into the ancient history of the land. With the emergence of the current wave of globalization, though, India has risen to a place of special significance within the context of the international economy. Nayar (2006) has traced the history of India's economic development over the course of the last several decades in some depth. For present purposes, the important point is that foreign companies are finding it increasingly fruitful to send their employees to India in order to work collaboratively within the nation. This is especially the case when it comes to the technology sector in general and the IT industry in particular. It is thus very important for Indian companies to develop an expatriate deployment model that can make optimal use of these new human resources.

II. The Problem

The general problem for any expatriate consists of the basic fact that he—and his family, if he has brought them with him—must adjust to a new cultural environment, in which he will be immersed among people who have different ideas, expectations, and practices than his own. Moreover, he must do this while cut off from the usual networks on social support upon which he may have relied when he was back in his home nation. Within this context, it is crucial for companies hosting expatriates to work toward ensuring that the expatriate is able to fulfil his professional duties in an effective way while avoiding the psychological phenomenon known as burnout. Burnout refers to a person becoming emotionally drained in such a way that he is no longer able to fulfil the duties that are expected of him.

According to Silbiger and Pines (2014), while burnout is a very real risk for all expatriates, there are key factors that play a crucial role in determining whether any given expatriate actually will suffer from burnout. In particular, their research study found that there is not in fact a necessary correlation between stress levels per se and likelihood of burnout, due to the fact that this relationship is strongly affected by the perceived level of the importance of one's work. That is, if an expatriate believes his work to be very important (either personally for his own development or socially for his company and colleagues), then he may be able to tolerate a much higher level of stress and even perform more effectively as a result of that stress, than if he were to perceive his work as unimportant and/or his role within his company as expendable. This strongly indicates that if one wishes to deploy expatriates more effectively within the Indian IT industry, then it is necessary to consider—from the employee's own perspective—the specific role that the expatriate employee will be fulfilling within the company as a whole.

In their empirical study on the subject of expatriate adjustment, Leo and Kartika (2014) have reached a similar but more expansive conclusion regarding the factors that affect the success of the expatriate and his capacity to manage stress in an effective way. The specific variables considered by these researchers were: family support/adaptability, social capital, mentoring behaviours, psychological contract, and organizational support. The study found that the higher the levels of these factors for a given expatriate, the more likely he would be to succeed within the context of his new professional role. The variable of psychological contract correlates with the variable of perceived importance of work discussed above. Leo and Kartika (2014), however, have shed light on the broader social factors that exert an influence on the success of the expatriate. These social factors pertain to his family on the one hand and to his company as a whole on the other.

Regarding the specific issue of the family, Cole (2011) has categorically concluded on the basis of research that problems with spousal adjustment in fact constitute the single most important cause of expatriate failure. That is, the expatriate himself may be relatively content with his work and new living situation; however, his wife may have a much more difficult time with adjusting to her new life. In the event that this happens, the wife's psychological and emotional difficulties would clearly begin to take an enormous toll on the expatriate's own psychological and emotional resources, which would in turn have a strongly negative effect on his professional performance. If the problem becomes severe enough, then the expatriate may even decide to leave India and return home earlier than planned, simply in order to ensure the well-being of his wife. This problem with spousal adjustment is driven by the fact that whereas the expatriate himself will become automatically integrated into the social circles of his professional life, the wife may find herself cut off from her usual networks of support and with little opportunities to meaningfully develop new social networks and connections.

A concept that has emerged in the discussion above is expatriate failure. Essentially, expatriate failure refers to an expatriate failing to fulfil his complete expected term in his professional role, deciding instead to return home due to personal and/or professional reasons. "Success", on the other hand, would consist of the expatriate fulfilling his duties and his term in an effective way and going home on a high note (so to speak). Expatriate failure is highly problematic for two reasons. Firstly, it represents a failure on the part of the company to ensure the effectiveness of the expatriate, which is generally bad for the morale of both the expatriate and the company as a whole. Secondly, replacing an expatriate who departs prematurely can prove to be very difficult and/or costly for the company. For example, if an expatriate within the Indian IT industry were to leave early, then the role he was playing within a given project would need to be filled with someone else who lacks prior experience with the project or history with working with the other members of the team. Finding a new employee would cost money; and even then, the outcomes of the project would likely be worse than if the original expatriate had been able to stay on the job.

The problem, then, consists of the question of how to deploy expatriates within the Indian IT industry in such a way that the factors that could lead to expatriate failure are mitigated and the factors that could lead to expatriate success enhanced. Again, some of the key factors that influence this matter include the expatriate's perception of the importance of his work, the support provided to him by his family and his company, the level of commitment the employee feels to his company, and the level of social capital the expatriate possesses within the context of his new cultural environment. Any solution to the problem of potential expatriate failure in the Indian IT industry will surely need to address most or all of these factors in a meaningful way.

III. Proposed Solution

On the basis of the above analysis, a solution with three main aspects can be proposed with respect to deploying expatriates within the Indian IT industry in a more effective way. The first aspect pertains to the objective role of the expatriate within his company, as well as the expatriate's perception of his own role within the company. Essentially, the expatriate has made sacrifices in order to fulfill a new role in a foreign environment; and he will likely need to feel that his new role is valuable enough to justify the sacrifices that he has made in order to obtain it. On the one hand, this means that the Indian IT company should work toward deploying the expatriate in a role that takes the greatest possible advantage of the specialized aptitudes that he may have as an expatriate. This would be the best way for the company not only to maximize the value of this unique human resource but also ensure that the expatriate's travel to India will have been worth his while.

In addition to objectively maximizing the value of the expatriate's role, it is also essential for the IT Company to focus on the subjective dimension of the matter. That is, even if the expatriate's role is objectively valuable, this would mean little if the expatriate himself did not subjectively perceive the value of his own role. This is because it is not the objective importance of the role but rather the perceived importance of the role that actually produces improved psychological outcomes in expatriates (Silbiger & Pines, 2014). Producing this perceived importance will likely have an important social aspect and will depend on the extent to which the expatriate is integrated effectively into his organization as a whole and is able to see the real effects that he is having on the world around him through his work.

Maximizing the value of the professional role is thus a crucial way for the Indian IT industry to both make optimal use of its expatriates and to help mitigate one key factor that could catalyze expatriate failure. This in and of itself, though, would be inadequate in and of itself. In conjunction with efforts in this regard, the second aspect of the proposed solution must consist of making structures of support available to the expatriate's spouse and/or family. This recommendation is based on the insight that the expatriate himself will likely have a far easier time with adjusting to his new cultural environment than his wife or children. The simple reason for this is that, the expatriate will quickly be assimilated into the flow of professional life and thereby naturally develop new social circles, it is entirely possible that his wife may simply experience acute isolation and loneliness. Moreover, this effect would be exacerbated if the wife had given up her own professional and/or social ambitions in order to support her husband's career (Cole, 2011). The emergence of resentment from the domestic angle could well derail even the most successful of expatriate professionals.

There are two main ways in which this issue could be addressed. The first consists of the expatriate's company providing a service through which the expatriate's wife can meet up with others who are in the same situation as her in order to help cultivate a new social support network for the spouses of all expatriates working with the given company or even within a given city. The second consists of the company providing training before hand for the expatriate and his family as a whole prior to expatriation itself, so that everyone involved will be more capable of addressing emergent challenges in an effective way. For example, a little linguistic training could potentially go a long way: whereas the spouse would have previously been isolated from the world around her, she would now be able to at the very least do simple things and explore her new surroundings to at least some extent.

Finally, the third aspect of the proposed solution must consist of an evaluation of the internal cultures of Indian IT companies themselves. This is connected to but also transcends the other two aspects of the solution discussed above. In principle, it should be not only the expatriate but all employees of the companies who perceive their roles as important and feel well-integrated into their companies. To put the matter another way, the specific problem of preventing expatriate failure could to an extent be understood as a subset of the broader problem of ensuring employee satisfaction. For example, if a given company is known for producing low levels of satisfaction, then addressing this general issue may go a long way toward addressing the specific issue of deploying expatriates in an effective way. Within the Indian context, it would be necessary to also evaluate the extent to which cultural factors may prevent the implementation of best practices in this regard; and then it would also be necessary to further evaluate whether those cultural factors should be respected or overridden by the human resources management policies of the IT companies.

More generally, it is clearly important to consider the problem of the effective deployment of expatriates in the Indian IT industry from a multidimensional perspective that includes evaluations of the various relationships between the expatriate himself, his family, his organization, and the general cultural context. As Brewster, Bonache, Cedin, and Suutari (2014) have clearly stated, it is increasingly acknowledged within the field of expatriate studies that this kind of holistic model will be necessary for truly understanding the

situation of the expatriate and what can be done in order to improve that situation. The situation, taken as a whole, would seem to be greater than the sum of its parts. At the level of organizational culture, the main concern consists of whether Indian IT companies are flexible, dynamic, and self-aware enough to respond to the needs of the situation in real time as they emerge.

IV.   Implementation

In order to implement structures that can support the three aspects of the solution proposed above, it may be worthwhile to draw at least to some extent on the insights of the theory of transformational leadership. As the empirical research conducted by Goodwin, Whittington, Murray, and Nichols (2011) has indicated, transformational leadership is highly effective at cultivating a deep sense of trust among the different members of a given organization. This sense of trust would be crucial in promoting a corresponding sense of psychological investment in the expatriate; and as Lee and Kartika (2014) have found, this is one of the best protections against expatriate failure. In other words, if the expatriate feels psychologically invested in his work and his company, then he will be better able to manage stress associated with his situation as an expatriate, and he will be less likely to leave his role prematurely and thus succumb to expatriate failure.

Relatedly, the research conducted by Barbuto (2005) has indicated that transformational leadership is strongly correlated with intrinsic motivation among the employees of an organization. That is, within a transformational culture, employees tend to work to the fullest of their capacities because they sincerely believe in the value of their work and the mission of their company, and not merely for reasons of narrow self-interest. Again, the empirical literature regarding expatriate adjustment has clearly indicated that the perceived importance of one's role is a factor that strongly influences the likelihood that an expatriate will suffer from burnout (Silbilger & Pines, 2014). It can now be suggested that an intrinsically motivated expatriate will be far more likely to perceive his role as very important as would an extrinsically motivated expatriate. An implication that follows is that the implementation of transformational leadership could help protect expatriates within the Indian IT industry from the factors that lead to failure and thereby optimize companies' deployment of those expatriates.

Concretely considered, the implementation of transformational leadership within Indian IT companies would entail adjusting organizational power structures in such a way that all employees are more empowered to contribute to their companies in a more active way. This could involve, for example, the implementation of structures of shared governance, through which lower-level employees are able to communicate with higher-level managers in a more or less direct way and ensure that their ideas and concerns are heard and considered. Such structures would affect the managers as well as the employees, insofar as the ultimate objective is to develop a more trusting, empowered, and cooperative culture within the company as a whole. It is highly likely that expatriates would particularly benefit from such an arrangement, insofar as it would create the necessary conditions for the expatriate to psychologically invest in his company and feel himself to be an integrated part of his new professional community.

A cultural concern that should be taken into account, however, perhaps consists of whether the implementation of such structures could in fact work within the Indian context. Indian society in general, and Indian companies in particular, are known for having relatively stratified structures of power, within people being acutely aware of where they stand in comparison with others in terms of social status. If done incorrectly, the implementation of structures to promote intrinsic motivation among employees could potentially have the unintended consequence of producing the opposite effect, insofar as the stratified structures of power themselves may provide employees with a kind of intrinsic motivation to belong to the more complex whole. In short, the culture of India may be such that the effects of transformational leadership may not necessarily be the same within the Indian IT industry as they are elsewhere.

On the other hand, though, business culture in India is also known for its interweaving of the professional and the personal: trust between colleagues is usually built through personal contacts and the sharing of stories about families and life concerns, as opposed to through formal legal or contractual structures. In this sense, the foundations for the emergence of a transformational company culture may already be present in the implicit ways in which Indian people tend to interact within the context of their broader national culture. If this is the case, then expatriates in Indian IT companies may find a kind of natural social support structure within the workplace; and this structure could perhaps be induced, through effective leadership, to evolve into a more formal organizational culture that provides not only expatriates but also all other employees with the holistic support they may need.

These considerations are especially relevant when one bears in mind the fact that spousal adjustment issues are in fact the leading cause of expatriate failure (Cole, 2011). Given that this is the case, an organizational culture in which the expatriate is holistic valued as a person, and in which he is encouraged to share his concerns about his personal life and thereby develop trust and a sense of community with his colleagues, could well prove to be an invaluable resource when it comes to mitigating the factors that contribute to expatriate failure. Insofar natural support structures are culturally based in nature, though, the expatriate may be likely to miss the more subtle communication cues that could lead him to become more invested in his company and capable of managing the stress of being an expatriate. In this context, it would be valuable to develop formal organizational structures that let the expatriate know in a very clear way that he can count on his company to function as not only a means of livelihood but also as a holistic network of social support.

V. Conclusion

In summary, the present paper has consisted of a discussion of how Indian IT companies can re-engineer their expatriate deployment model in order to both maximize the value of their expatriate employees and protect them against the risk of expatriate failure. The paper began with a thorough consideration of the nature of the problem, including the main factors that influence the success or failure of expatriates. Then, the paper proceeded to consider a multifaceted solution that could be developed in order to influence these various factors— including psychological commitment, family adjustment, and organizational support—in a positive way. Finally, the paper reflected on how a transformational leadership project geared toward promoting employee empowerment and intrinsic motivation could perhaps not only address the needs of expatriates but also improve the performance of all other employees within Indian IT companies as well.

In general, the statement can be made that the issues that affect expatriates within Indian IT companies are much the same as the issues that affect any other expatriates, in any other industry, in any nation in the world. The factors that influence expatriate success or failure are more or less universal in this regard. Likewise, the model that can be used in order to optimize expatriate deployment is also more or less a universal one. Considerations will need to be made, though, regarding the compatibility between that model and the specificities of Indian culture. The optimistic point can be made, though, that India has had a long history of accommodating other cultures in a friendly and welcoming way. There is no reason why this venerable ethos cannot continue within the current era of globalization.

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