Cross-Cultural Issues Faced By Expatriates in Indian Organization

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Abstract- Within the world of globalization and open borders, everything becomes more international. Therefore the need for cultural understanding is in growth worldwide. This paper is intended to reflect the cross culture management and the cross cultural issues faced by Expatriates people. The purpose of this paper is to explore and understand the problems and adjustments of the expatriates as well as suggestions are given for overcoming the issues with different cultural groups. The objectives of the study are to examine the effect of culture value on management and the cross culture training needed. Cultural clashes between foreign and local values are inevitable in which expatriates experience challenges. Adjustments were based on individual initiatives based on the psychological and mental strengths of the expatriates, combined with efforts of peer expatriates, parent firms and host organizations. Cross-culture issues can be overcome through business education and appropriate training programs to expatriate.

Keywords: Cross-Culture, Expatriate, Management, Adjustment.

1. I. INTRODUCTION

The world is becoming nowadays a global village, in the perception that the technological achievements of this modern time have brought people closer together. This also means that people from different parts of the world and with different cultural environment are working and communicating together. Working with people in an organization involves dealing with certain issues such as motivating employees, structuring policies, cultural issues and developing strategies.

An Expatriate is a person who has chosen to live in another country than the one that is their valid/lawful residence. Nearly all expatriates stay in the foreign country for short period of time and plan to go back to their home place in the future. Even though, there are some that never go back to their country of origin. The term expatriate can be used to relate any person living in another country than the country where they hold a citizenship.

The expatriates in companies are also aware of cultural distinction. There is a constant assumption that the company and country of their origin are better or are doing business better, and by that, they cause unfriendliness among colleagues and other foreign company associates. In the end this again results in business or individual failure.

To start with, there has to be a good clarity of the expression “culture” which can be defined as the inherited values, concepts, and ways of living which are shared by people of the same social group.

There are many layers in culture, and that is what makes culture so complex and hard to understand, starting from small things as food, style in clothing, compliments, art, history, architecture family significance as visible culture values, to much less obvious values, which are not understandable to people from other cultures.

- Surface culture represents very visible things.
- Hidden culture represents values of right and wrong, religion, education, philosophy of raising humans.
- Invisible circle represents culture entire truthfulness.

1. Objectives of the Paper

- To understand about cross-culture management.
- To know about expatriate issues at workplace.
- To study about the challenges faced by expatriate and adjustments made to the challenges.
- To know about cross-culture training to expatriates.

2. II. REVIEW OF LITERATURE

According to empirical studies conducted by Burns, 1997; Barber et al, 2000; Causin, 2007 cross-cultural training is found
to be a driving force for expatriate adjustment in foreign nations. The training helps the expatriates in adapting to the culture prevailing in their work environment. Sometimes expatriates are preferred over nationals by the organization because of their technological competency and personality characteristics. Thus selection of expatriates is found to be a driving force for expatriate adjustment (Flynn et al, 2003; Brewster et al, 2004). Role clarity was found to be linked with expatriate adjustment. This amounted to expatriate success. The employees entering into a new country generally faces an enormous amount of uncertainty in their day to day life and thus reducing uncertainty helps in their adjustment process. The expatriate’s parent organization can help in reducing this level of uncertainty by providing clarity on the following areas such as candidate expectations, status implications, job expectations and chain of command. Thus role clarity is found to be a driving force for expatriate adjustment (Laine, 2012).

According to Torrington (1994), allowance was considered as additional payment which was granted to bridge the gap between genuine expenditure in their own country as well as the host country. The expatriate allowance is also termed as Foreign Service premium, mobility premium or overseas premium (Briscoe, 1995; Black et al, 1999). Expatriate allowance tends to motivate the expatriates thus it acts as a driving force to expatriate adjustment (Suutari et al, 2000). A variety of task/job characteristics like autonomy, skill variety, etc tends to enhance both extrinsic and intrinsic motivation. Expatriate’s ability to adjust in a foreign nation will definitely have a positive impact on the perception towards international assignments (Downes et al, 2000). Expatriate’s satisfaction in gaining a diverse work experience urges them to undergo the adjustment process. Thus expatriate satisfaction acts as a driving force for expatriate adjustment (Mazumdar et al, 2012).

Inter cultural differences are found to be major constraints among expatriates who are sent to a foreign country for pursuing international assignments (Lee, 2010). According to Kronstedt and Keller (2005); Selmer (2005) existing culture problems were found to affect the expatriates. Thus cultural differences were considered as a restraining force for expatriate adjustment (Mwaura et al, 1998). Expatriates must be open to change in order to be successful in their host country. Resistance to change causes expatriate failure. Thus resistance to change among expatriates acts as a restraining force to expatriate adjustment. Intrapersonal needs of an expatriate have a major influence in the successful completion of an international assignment of an expatriate. Lack of fulfillment of expatriate’s intrapersonal needs result in expatriate failure. Thus intrapersonal needs of expatriates act as a restraining force to expatriate adjustment. Socialization is found to be an important factor for expatriates who are starting an international assignment in a foreign nation. Expatriate life in a host nation minus socialization leads to expatriate failure.

Hence, if social needs of the expatriates are not fulfilled then it acts as a restraining force to expatriate adjustment (Hsiang et al, 1980). According to Shaffer et al (1999) family adjustment was considered to be the most important factor contributing to the expatriate success. If the family of an expatriate is unable to adjust in the host nation it creates problem in the professional life of the expatriates. Thus family adjustment was found to be a restraining force for expatriate adjustment.

The very thought of cross cultural management deals with working environment and management style in the organization of the host country of an expatriate. The working environment in a host country organization must be open and friendly towards expatriates in order to have a successful completion of the international assignment. This is the situation in which the working environment in a host country organization of an expatriate is found to be a facilitator for expatriate adjustment. At certain times the working environment is found to be less friendly towards expatriates. This portrays the situation in which working environment in the organization of an expatriate in a foreign country acts as a restraining force to expatriate adjustment (Franko, 2012). Secondly the management style of the host country organization also acts as a barrier or facilitator towards expatriate adjustment.

Management Style is found to vary among different cultures (Laroche, 1998). He also suggests that the management style in the organization of the host country must be able to understand and comprehend the various cultural backgrounds of expatriates working in the organization. This not only leads to the success of the business but also leads to expatriate’s success. Thus management style in cross cultural management is considered as a driving force for expatriate adjustment. Certain organizations followed different management styles which were not welcomed by the expatriates, thus leading to expatriate failure. Hence management style in cross cultural management is found to act as restraining force for expatriate adjustment (Rolon, 2008).

**Cross-Culture Management**

Cross-cultural management explains the etiquette of people in organizations around the world and shows people how to work in organizations with employees and client populations from many different cultures. One of the well-known researchers in the area of culture and management is Geert Hofstede (1980). As the world is noticing nowadays “globalization”, more and more companies are being run in various places all around the world. This will end in more activities all over the world which result in communication across cultures. Culture is something that human beings learn and as a result, learning needs communication and communication is a way of coding and decoding language as well as symbols used in that language.
Cross - Cultural Differences In Multinational Corporations

Four ways that can help in examining and understanding other cultures as follows:

- Individualism vs. Collectivism
- Power distance
- Uncertainty avoidance
- Masculinity vs. Femininity

Effect of Cultural Values on Management

Cultural values have a noticeable effect on the way managers run an organization. The following figure presents the differences which managers may experience when managing business at an international level.

- Time focus (monochronic/polychronic)
- Time orientation (past, present and future)
- Power (hierarchy and equality)
- Competitiveness (Competition)
- Activity (action: doing or being)
- Space (private or public)
- Communication (high-context or low-context)
- Structure (individualism or collectivism).

Challenges Faced By Expatriate

Living in a foreign country can be an intimidating experience. As an expat, they can expect to face a lot of challenges when they move. Expats require to learn cultural nuances, customs, mannerisms, and expectations. As an outsider in a foreign land, these things can be hard to understand.

Depending on expat personality and situation, it can take a while to get settled into their new job.

There is a list of the most common problems faced by expatriates to show that they are not going through any of these hardships alone.

Cultural Drift

Learning a new language can be hard; learning the ins and outs of a new culture can be even more difficult. Every country has its own customs and nuances. No matter where they are, it’s important to respect the local culture.

If they haven’t actually made the move yet, they have to research the customs before they go. It’s important to have a basic understanding of the cultural norms before arrive.

Once they have arrived, try to connect with other expats. They can be a great source of information. Other expats can help them navigate the landscape and provide cultural insight.

Language Barrier

Unless they have fluency in the language before they move, they can expect the language barrier to be a challenge. They need to learn the language if they want to fit in.

Accommodation Challenges

Navigating their way through a housing market in an unfamiliar city can be difficult. Ask coworkers for any advice they may have and seek out resources to help through the process. Even though they may want to buy a home, it’s usually better to rent until they’ve figured out a solid plan.

Challenges in Money Management

When it comes to personal finances, most expats experience complicated challenges. For International taxes, benefits, retirement accounts they’ll need to know how this will impact their finances.

Social Problems

Expats have a tendency to be transient. And when they don’t stay in one place long enough to form lasting friendships, it can often feel lonely.

The first few weeks in an unfamiliar country are usually the most challenging. But it can also be one of the most inspiring times in life.

Adjusting to life as an expat can be tough. They can prepare themselves by learning about the culture before they move.

International Adjustments of Expatriates

The international adjustment is the degree to which the expatriate feels comfortable living and working in the host culture. The international adjustment is divided into four stages Viz., honeymoon stage, culture shock, adjustment and mastery.

Honeymoon Stage

The expatriate and his family members are fascinated by the culture of the host country, the accommodation, the transportation facilities, educational facilities to the children etc., during the early state of arrival. This stage last up to 2-3 months period.
Culture Shock Stage
The company takes care of the new arrivals and completely neglects the previously arrived employee and his family after three months.
During the stage, the employee has to take care of himself and his family members. Expatriate gets frustrated, confused and unhappy with living and working abroad. His social relations are disillusioned during this stage. He gets the shock of the existing culture.

Adjustment Stage
The expatriate slowly learns the values, norms, behavior, of the people, their culture etc. He slowly adjusts himself to the culture of the foreign country.

Mastery Stage
The expatriate after adjusting himself with the culture of the foreign country, can concentrate on working efficiently. He learns and adopts to the new environment completely and becomes like a citizen. He behaves and functions like a citizen at this stage.

Cross-Culture Training
The main idea of cross-cultural training is to coach a group of people from different countries to work together in the same environment, or train an individual for the life in another country than the domestic. The belief of many companies is that actual cultural differences of employees in a company create trouble and frustration, therefore they have developed training programs which will progress and bring cross-cultural understanding into a more desirable and excellent condition.

Cultural Awareness Training
The point of the training is to increase cultural understanding among people. They are precisely made to educate employees about differences among his country culture and another employee’s country culture, also how not to standardized conception of some culture and treat people differently because of that, but improve knowledge about their own culture and the culture of the other country.

The cultural awareness training courses are being held in period of two days, where they educate people about dress code at the working place, history, traditions and aiming to reach the goal of changing the non-positive way of thinking towards other cultures. Even awareness program is not still fully developed, general thoughts for this program are that it is not giving enough positive results.

Building Competencies
The centre of attention of this training approach is to expand attitude abilities in multicultural organizations. The trainings in this approach are including roll-playing and performing sessions, teaching people to be equal and to show respect to each other. Most of the time during the sessions, videos are being shot and used in the purpose of showing to participants their behaviour. They may not be aware from a subjective perspective, but if they see from an objective perspective, they may realize where they are making mistakes.

Supplement Diversity Training
Soon enough, companies have realized that by using only diversity training will not lead them to any effectiveness in organization, but combining authorized board together with minority units of company and continuously planning and making decisions about future development. Set of benefits, rewards and support of people from different cultures are actually helping diversity training become more useful and profitable.

Cross-Cultural Training (International Context)
The future of the business connect the world more. There are many possibilities for developments and trainings within the company from which headquarters, managers, expatriates with a families, and other employees of other nationalities could benefit. Development and training in international companies are shared in:

- Possible timing training that includes: timing after one’s return from intercontinental project, during the one, and time before actual leaving to an intercontinental project.
- Possible recipients of training are: expatriates, inpatriates, families of both, international managers, members of headquarters, and personnel that works with all mention above.

Cross-Cultural Training for Expatriates
Training courses for expatriates and their families are most of the time done within five days. There is tool in cross-cultural training that prospers and brings the traits, feelings, and behaviours of one’s culture and adapts others for cooperation with other cultures. The name of the tool is culture-general assimilator. It can educate the expatriate to fit in with the culture.

Suggestions and Recommendations
- To increase the greater awareness about cross-culture at work place.
- To provide the importance of business education
- To provide appropriate training to the expatriate and their family to cope up the cross-culture issues at work place.

3. III. CONCLUSION
In this era of globalization and international business the expatriates are the need of the hour. Different behaviors due to cultural differences brings uncertainty as well as reduced efficiency, which ultimately negatively affects the organizational effectiveness. This paper presents the cross-culture issues and challenges faced by the expatriate at the workplace. These issues and challenges are because of different cultures like languages, communication, gestures, space, times, religions, body languages, verbal and nonverbal communications and so on. The cross-culture issues and challenges can be overcome with the help of business education and expatriate training programs.

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