



2005-09-01

# Cultural Diversity in Multinational Organisations

Marian Crowley-Henry

*Dublin Institute of Technology*, [marian.crowleyhenry@dit.ie](mailto:marian.crowleyhenry@dit.ie)

Follow this and additional works at: <http://arrow.dit.ie/buschmarcon>

 Part of the [Human Resources Management Commons](#), [International Business Commons](#), and the [Sociology Commons](#)

## Recommended Citation

Crowley-Henry, M.: Cultural diversity in multinational organisations. Irish Academy of Management Conference, Galway, Ireland, 2005.

This Conference Paper is brought to you for free and open access by the School of Marketing at ARROW@DIT. It has been accepted for inclusion in Conference papers by an authorized administrator of ARROW@DIT.

For more information, please contact [yvonne.desmond@dit.ie](mailto:yvonne.desmond@dit.ie), [arrow.admin@dit.ie](mailto:arrow.admin@dit.ie), [brian.widdis@dit.ie](mailto:brian.widdis@dit.ie).



This work is licensed under a [Creative Commons Attribution-NonCommercial-Share Alike 3.0 License](#)





2005-09-01

# Cultural Diversity in Multinational Organisations

Marian Crowley-Henry

*Dublin Institute of Technology*, [marian.crowleyhenry@dit.ie](mailto:marian.crowleyhenry@dit.ie)

---

## Recommended Citation

Crowley-Henry, Marian : Cultural diversity in multinational organisations. Irish Academy of Management Conference, Galway, Ireland, 2005

This Conference Paper is brought to you for free and open access by the School of Marketing at ARROW@DIT. It has been accepted for inclusion in Articles by an authorized administrator of ARROW@DIT. For more information, please contact [yvonne.desmond@dit.ie](mailto:yvonne.desmond@dit.ie), [arrow.admin@dit.ie](mailto:arrow.admin@dit.ie).



**IRISH ACADEMY OF MANAGEMENT CONFERENCE 2005**

**GALWAY, IRELAND**

**CULTURAL DIVERSITY IN MULTINATIONAL ORGANISATIONS  
EXPERIENCES OF “FOREIGN” MANAGERS; IMPLICATIONS FOR STRATEGIC  
INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

**Marian Crowley-Henry**

(Doctoral Researcher / PhD in Management)

Management School,

Lancaster University,

LA1 4YX,

UK

[m.crowley@lancaster.ac.uk](mailto:m.crowley@lancaster.ac.uk)

[marian\\_crowley@hotmail.com](mailto:marian_crowley@hotmail.com)

**TRACK: HRM**

**POSTGRADUATE COMPETITIVE** paper

**CULTURAL DIVERSITY IN MULTINATIONAL<sup>1</sup> ORGANISATIONS.  
EXPERIENCES OF “FOREIGN” MANAGERS; IMPLICATIONS FOR STRATEGIC  
IHRM**

**Marian Crowley-Henry, Lancaster University**

**HRM track, IAM Galway, 2005 (competitive paper)**

**INTRODUCTION**

“In today's globalization of world trade, many businesses recognize the fact that it is critical to tap into the skills and insights of a diverse workforce in order to compete successfully in the new global economy” (Lecompte Gittins, 2003). In this environment access to, and capitalisation of, the knowledge of an internationally experienced workforce is espoused in order to compete globally (Black & Gregersen, 1999; Bonache, Brewster & Suutari, 2001; Oddou, 2003). International human resource management literature has stressed since the last decade for the need to develop “future managers with a global orientation” (Boyacigiller, 1995: 149). Similarly, advice regarding how organisations should develop their human resource practices in order to select, recruit and develop a more international or globally-minded workforce has been shared (LeBlanc, 1994; Pucik & Saba, 1998; Ali, 2000).

In addition, diversity studies have forwarded the need to embrace diversity (including gender, cultural or ethnic diversity) in and across organisations (Wright et al., 1995; Arredondo, 1996; Taylor & Easterby-Smith, 1999; Hopkins, 1997) in order to remain competitive. Cultural diversity has been described as referring “to an individual’s affinity or identification with a particular cultural dimension which may include, but is not limited to, the following:

---

<sup>1</sup> For the purpose of this paper, multinational refers to an organisation having an office in several countries outside of the organisation’s home country headquarter location. Bartlett & Ghoshal (1989)’s international, multinational, global and transnational organisation differentiation is not a focus here.

race, ethnicity, nationality, color” (Hopkins, 1997: 5). It is the nationality component of cultural diversity which features in this research undertaking.

The afore-mentioned rhetoric of the requirement for multinational organisations to encourage an internationally-minded and culturally diverse workforce prompted the empirical research presented in the findings section of the paper. A qualitative study consisting of twenty in-depth interviews with international managers in a random selection of multinational organisations was conducted, where the interviewees spoke candidly about their perceptions regarding the value of their international “difference” to their employers, and to themselves. Their experiences are shared in this paper, and their perceptions regarding how their organisations value their inter-national cultural mindset is explored. Any criticism of the qualitative research approach is balanced in this paper by the large amount of data and understanding presented in the findings, rather than simply description. The objective of this paper is to discuss the experiences of international managers working for multinational organisations, and to use the shared data to further learning in international human resource management. In particular, this paper explores the reality as experienced and perceived by the sample of international assignees in the context of the rhetoric of strategic international human resource management espousing the promotion of culturally sensitive global managers with international experience. The following section outlines the methodology of the study. Then the research questions and findings are presented. Finally conclusions and suggestions for further research are shared.

## **METHODOLOGY**

### **Background**

The aim of the qualitative researcher is to understand and interpret phenomena (Gummesson, 1991: 153), rather than to generalise occurrences of a particular phenomenon or phenomena. Qualitative research methods are praised for the richness, depth and holistic nature of the data uncovered (Marshall & Rossman, 1989: 19). However, a limitation of qualitative research is interviewer bias, a certain degree of which can never be eliminated due to the role of researcher as research instrument (Adler & Adler, 1987) and “the reflexive place of the researcher in the interpretive process” (Denzin & Lincoln, 1998: xvi; see also Bruner, 1993 (as referenced in Denzin & Lincoln, 1998: xvi)). Nonetheless, I believe the aim of this study, which is to present the experiences of the sample in enough detail and depth to allow readers of the study to relate to those experiences and deepen their understanding of the issues they reveal (Seidman, 1991: 41), has been achieved.

The use of personal contacts when conducting research and in gaining access to research candidates has been supported (Bresnen, 1988; Buchanan et al., 1988; Crompton & Jones, 1988; Beynon, 1988). This research was initiated by interviewing personal contacts who are employed in management positions for multinational organisations in Europe. Such contacts then recommended further potential interviewees. So-called snowball sampling has been criticised as “an open invitation for sampling bias” (McQueen & Knussen, 2002: 74). However, as Table 1 describes, the interviewees here differ across gender, industry sector, age, nationality, marital status and position (from senior managers with people responsibility to middle management to managers without people responsibility). Interestingly, in this study the common denominator among all interviewees was simply that they were non-host country nationals. The standard bias for snowball sampling is that one meets the same types

of people (same age, same company, same position, same nationality, same area...). This was not the case here.

### **The sample**

The empirical data in this paper stems from semi-structured exploratory interviews (McCracken, 1988; Easterby-Smith et al., 1991) with twenty international managers working for multinational organisations in Europe. The use of small sample sizes in qualitative research has been defended (Glaser and Strauss, 1967; McCracken, 1988; Mason, 1996). I believe that in this research undertaking the sample size was more than sufficient for adding depth / knowledge to the area of international management. An outline of the sample is given in Table 1.

**Table 1. Research Sample**

<b>Pseudonym</b>	<b>Gender</b>	<b>Age</b>	<b>Nationality</b>	<b>Profession</b>	<b>Current Location</b>	<b>Industry</b>
Angie	female	41	American	Middle manager	Sophia Antipolis	Travel IT
Clare	female	62	American	Senior manager	Sophia Antipolis	Travel IT
Richard	male	35	Dutch	Senior manager	London	Oil industry
Tracy	female	54	English	Senior manager	Sophia Antipolis	Travel IT
Kate	female	38	English	Senior manager	Sophia Antipolis	Management/IT consultancy A
Edward	male	50	Welsh	Senior manager	Dublin	Engineering/civil/construction
Peter	male	35	English	Senior manager	Munich	IT A
Shaun	male	39	English	Senior manager	Sophia Antipolis	Agro-pharmaceutical A
Steve	male	34	English	Middle manager	Sophia Antipolis	Software / Financial Services
Gina	female	40	English (Indian origins)	Project manager	Munich	Telecommunications A
Geraldine	female	52	French (British)	Middle manager	Sophia Antipolis	Agro-pharmaceutical B
Hilda	female	41	German	Senior manager	Sophia Antipolis	Travel IT
Fiona	female	27	Irish	Project manager	Sophia Antipolis	Telecommunications B
Brian	male	39	Irish	Senior manager	Munich	Electrical Appliances
Andrew	male	38	Irish	Middle manager	Munich	IT A
Vincent	male	41	Irish	Senior	Sophia Antipolis	Management/IT consultancy B

				manager/partner		
Donal	male	36	Irish	Middle manager	Sophia Antipolis	IT B
Ronald	male	40	Italian	Middle manager	Sophia Antipolis	IT A
Mark	male	34	Norwegian	Project manager	Sophia Antipolis	Travel IT
Alice	female	43	Scottish	Middle manager	Sophia Antipolis	Management/IT consultancy B

Notes to Table 1:

Richard and Edward fall under the category of traditional expatriates (will be repatriated at some stage). The others are all hired under local contracts.

The majority of the sample (70%) were based around Sophia Antipolis in the South of France (N=14); with a further four (20% of the sample) based in Munich (Germany) and the remaining two interviewees (10%) based in Dublin (Ireland) and the UK respectively. The Sophia Antipolis and Munich sample are all permanent expatriates, hired locally on host country contracts. Edward (based in Dublin) and Richard (based in London) are both expatriates in the traditional sense insofar as they are on a fixed term assignments with their respective organisations. The contextual relevance of where the interviewees are based must be highlighted, with the locations specific for their cosmopolitan attraction and international population.

Thirteen different multinational organisations are represented, with a quarter of the interviewees working for the same Travel IT international organisation. A further three interviewees worked for the same IT A multinational, with two other interviewees working for the same international Management/IT consultancy organisation (Management/IT consultancy B). All other respondents (half the sample, N=10) worked for different companies.

The entire sample can be categorised as “cadre”, implying that they are all at the managerial or engineering level within an organisation, but not necessarily all having people management responsibilities. All interviewees were fluent English speakers so that their

interviews would not require translation or further manipulation. Thus there is a bias toward English native speakers in the study. A bias I believe could be overcome in subsequent studies across languages.

## **FINDINGS & DISCUSSION**

### **Introduction**

This section portrays some of the main findings from the study, presenting the international manager's case and the relevance for strategic international human resource management. It questions how multinational organisations' human resource management function is strategically making sense of and maximising the individual experiences of the international workforce. The findings appear to highlight a dichotomy present in strategic international human resource management, with a tension existing between international managers making sense of their own careers and the role of human resource management in career planning. Specifically, this section consists of findings relating to the following: the value of international experience (at a personal level); the value of international experience (at a professional level, for recruitment); the ongoing recognition by the employer for the interviewees' international experience (promotional advancement). Some implications of these findings for strategic HRM are also put forward.

### **The value of international experience – personal**

The findings presented in this paper outline the value of following an international career from the personal viewpoint, with all respondents advocating their decision to work abroad as being a positive personal impact on their lives. All respondents highlighted the learning experience of living and working in a different country. Meeting new people – fellow non-host country nationals and locals alike, experiencing another culture(s), working through a different

country's language, customs and laws are just some of the items mentioned. The following quotes depict this:

*"I think sort of broadening my mind you know, having a wider experience of different cultures and countries."* (Gina, 40, British (Indian origins), single).

*"It was a personal achievement to move to another country, which I think gives you a certain confidence to try out other things."* (Peter, 35, English, married, 2 children).

Flexibility, openness, and perseverance in seeing it through / to making it work were noted as invaluable personal traits that one needs to possess, as Richard (35, Dutch, married, no children) describes:

*"I think that is one of the biggest requirements really and to be able to look at different things from a different perspective. Look at a bigger, richer picture and not immediately come to conclusions... ... Your own preconceived ideas and experiences may not be the right ones; you have to have the flexibility and adaptability to deal with that."*

Alice (43 Scottish, 2 children) also notes the personal gain in quality of life that an international move can make: *"The fact that quite often making an international move you can make something of a jump in terms of your quality of life."* She contrasts the social system she witnessed as an expatriate wife in America to that now in France: *"[in] the States ... [the] norms that we take for granted ... - social cover, health care, protecting the old and things like that - don't exist. ... I'd rather live in a country where you paid high taxes .... I'd rather be part of that kind of society where I know that everyone can... have the health care that they need and all the rest of it, than not."*

## **The value of international experience – professional**

This section illustrates the interviewees' perceptions of their additional professional competency of multicultural experience, and its value in their professional lives.

Vincent (41, Irish, partner, 2 children) found his international experience served him well in the recruitment process: *“Well it was very easy to join them in that they pretty much offered me a job straight off, well pretty quickly.”* This feeling is echoed in the next quote by Donal (36, Irish, married, 2 teenage children from marriage): *“Certainly in the ... roles I’ve ended up doing, because the role was always working with or for or to multi-cultural people and doing different things. So, if I was looking after a group of developers writing software and everything was done in France for [French organisation], my usefulness because of my international skills would be very limited because ...it’s not needed. Whereas what I do is I ... keep dealing with teams that are spread all over Europe or people that are all spread over Europe - whether they’re customers, colleagues, or whatever. Or, or I can explain to the Americans why it’s different in Europe or why it’s different in every part of Europe, because you know you can’t fire people in Spain or France or Italy or England or or or. There are all these rules. So yes, I’d say that’s valued. That’s probably one of the reasons I ended up doing what I’m doing now, because of my experience. Because I had worked with European wide team and that was what I was taken on to do here.”*

The interviewees, like Donal (above) acknowledge that their cultural knowledge would only be appreciated if working in the international sphere. The following quotes from Steve and Clare also relay this:

*“I don’t think it’s relevant unless you’re in an international job. If you spend all your time working in the UK with UK-based customers I don’t think it makes any difference.”* (Steve, 34, English, married, no children).

*“[I]f I worked in a French company, a pure French company without the international environment, what’s the need quite honestly? I don’t see the need. But in an international company, having the international background I think is a plus. ... It’s a bonus, because you’re already a multicultural individual and able to work in that environment.”* (Clare, 62, American, divorcee, no children).

The professional experience an individual gains in working internationally is stressed, as Edward (50, English, married, 2 children) shares: *“I think it’s probably some of the best experience most professionals, particularly engineers, will have, and I think it probably applies to other professionals as well. You gain such a wide variety of things from it – professional experience, cross-cultural experiences.”*

This is echoed by the other traditional expatriate in the sample. Richard (35, Dutch, married, no children) believes that: *“those different exposures have improved the way I think and operate. It has made me a better manager and a more well-rounded person, personally as well. Having to deal with all those different experiences and projects and countries and languages and contacts just builds you as a person I think. Perhaps I’m arrogant in saying this. Compared to just staying in one country and all united in London, and always working for the same country - I mean that’s quite safe and quite predictable.”*

Other respondents also stressed their preference for international roles over home country roles. Ronald (40, Italian, married, 1 child) comments:

*“I preferred the European job actually ... to the Italian one. So I liked the international environment, ... the better quality of the work that was done here and the fact of working with colleagues of all nationalities.”* He continues: *“I see it as valued in the organisation, outside, and definitely [valuable] for my life. ... [B]ecause I’ve broadened a lot [my] knowledge of people. I’ve learned a lot to respect different opinions, different ways of working, that before I was not appreciating at all. ... It’s also been very challenging in the beginning. I was one of the best in Italy, but definitely not one of the best here. I was a good one in Europe, but not [the best]... So ..., by joining a European team sometimes you’re confronted with the best from other countries. You have challenges and so in a sense you look at yourself maybe more in perspective. You understand and you have experience of challenges. On a European perspective it’s a very formative experience...”*

The diversity of managing across borders and cultures is a motivating factor for the international managers in the sample, as exemplified in Peter (35, English, married, 2 children)’s comments:

*“I wanted to move my career forward and I had the opportunity to join the Pre-Sales team... I ran that role for about a year and a half and then I got a Management Position, and when [company name X-1] took over [company name X-2] I then got a very international team working for me, so I had 4 people based down in Valbonne, I had a guy based in the UK, another guy in Frankfurt, and then 2 people in Munich. So I was managing an international team. That was good fun, it was cool, because I also liked the diversity of the culture and that was cool.”*

Overall the respondents found that their international acumen was beneficial in their professional life. The following section looks closer at their perceived recognition by their employers.

### **Ongoing recognition for international experience**

While most participants in the study acknowledge their international status as having been a factor in their recruitment and professional role within the organisation, the opportunities for hierarchical advancement within their employing organisations are contingent on the respective country job market conditions and policies and internal politics. This naturally has repercussions for the retention of key employees which have the international acumen (Adler, 1981; Tung, 1981; Feldman & Thomas, 1992; Black & Gregersen, 1999) supposedly of major importance for multinational organisations operating in the global economy. This section explores some of the experiences of the sample in this research undertaking.

With regard to permanent expatriates' career development aspirations within the same organisation (i.e. following an organisational career path); the findings from my qualitative research vary considerably. Some of the interviewees in this study perceived their international identity as an obstacle in their career advancement within the same organisation. Schneider & Barsoux (1997) suggested that "cultural biases may be responsible for the "glass ceilings" experienced by foreigners in many international companies" (Schneider & Barsoux, 1997: 142). Indeed, other research has suggested that many companies are still reluctant to promote non-nationals to the top of the corporate ladder (Anon/The Economist, Nov 7 1992).

Particularly for those employed in one international organisation (N=5) based in France, it was perceived that their own non-French nationality was an obstacle to career advancement. This is described by Tracy (54, British, widow, 2 children), Vincent (41, Irish, married, 2 children), and Angie (43, American, married, 2 children) in the following quotes:

Tracy: *“[when I was recently promoted my friend said to me:] “what’s actually happened is that you haven’t actually been promoted by a French company ... ,you have been promoted by a Spanish company ... [N]one of them men in top brass here [in the French office] saw it to promote you. And then once it did get to French ... HR, they tried to block it. ... [Y]ou haven’t been promoted by a French company, it’s just because of the way things work in Spain and the fact it’s two Englishmen that have belief in you who have pushed to get you promoted”.*

Vincent: *“I mean there is this old belief that for a 100% French company the only way to succeed is to have gone to the same grande école as the boss or marry his daughter or son.”*

Angie: *“It’s very French, ... they’re very set on their French school diplomas ... here they’re only impressed by ... the grande école...”*

Angie goes on to comment that she believes her career could have progressed further had she remained in her home country:

*“Because yeah I think in [company name] and in France ... they pay us with the sunshine and the beautiful Cote D’Azur and the 6 weeks of vacation, but there’s still just [laugh] a money limit on salaries. That can be very annoying. I think financially [I] would have progressed [had I remained in the States]”.*

It should be noted that although such barriers are perceived by some members of the sample, the degree to their actual existence within the organisation has not been researched. Other international assignees in the sample were certain that their international identity actually aided their advancement in the organisation since it increased their visibility. One respondent, Brian (39, Irish, single), said he was explicitly chosen above his German colleagues to give training to other Germans. His difference was actually promoted and enjoyed throughout the organisation.

Brian: *“I actually find that doing business in Germany ... a lot of the Germans wanted to do business with me instead of German colleagues. I don't know why. I think it's just that if ...you bring this Irish charm into the business meetings ... So quite often ... my German colleagues ...like me to ... focus on the German markets, because they saw that I was able to deal with German customers better than they were.”*

Hilda (41, German, married, 1 child) told me that her organisation *“has always been very proud of having so many different nationalities... The ability to adapt, to be able to work in an international environment, adapt to the different cultures. That has always been seen as very important. When you can do it then of course you are valued.”*

Ronald (40, Italian, married, 1 child) stated that: *“it is visible maybe in the job proposition and things like that, ‘well he's not like going back to Italy for another job’”.*

Kate (38, English, married, 2 children) also felt valued by her employer:

*“Well anyone that’s worked on an international basis I think is valued because they’ve got different experience of different nationalities. And not everybody has that.... I think the company treated us pretty well to be honest in the whole, with the bonuses they gave us, and just the general package that the way they looked after us – regular salary increases, ... I think generally it’s a pretty good company to work for.”*

Fiona (27, Irish, single) experienced positive discrimination in her job: *“I think I’m definitely treated differently. ... Even the approach of my boss. ... [A]lready I’ve established a nice relationship with him which is very direct. I started as I meant to go on... I think that’s probably a novelty for him because ... he you know obviously is some form of protégée of this president... And I suppose it’s probably very different for him as well. And I’d say in kind of a way I’d say he kind of enjoys it probably you know, probably breaks through the monotony of the way people normally deal with him, you know.”*

Similarly, Andrew (38, Irish, married, 3 children) sees no professional discrimination regarding his cultural diversity in his employing organisation: *“I wouldn’t see a glass ceiling at all. I think there’s definite opportunities, you know, whether it’s in the wider business groups within the company or whether it’s a return to a marketing role at a different level. There’re huge opportunities and it’s not just geographically limited because you’re at the top level within an EMEA function. You have exposure across all of the geographies as well which is good. So it’s not limited at that in that sense.”*

Some organisations place more value on international experience than others. In Shaun (39, English, married, 2 children)’s organisation *“it’s absolutely valued. Within my company I*

*mean anyone, to get to a senior management position in this company you have to have travelled. And you have to have experience, probably in at least 2 different continents.”*

Other organisations seem to take their international workforce for granted as Mark (34, Norwegian, married, no children)’s following quote portrays:

*“I think that ... the combination of having French and international here is a good combination... But I don’t necessarily think that a lot of people say get a lot of extra recognition for that. I think it’s just the way the company is structured. It’s normal. That’s how it works.”*

This suggests the potentially untapped value of international managers in multinational organisations. The cross cultural know how and “charm” that internationals can bring both internally and externally (to the organisation and its customers) may be under-recognised by the employing organisations. However, the individual acknowledges the importance of their international acumen and experience in their professional role as Mark (34, Norwegian, married, no children) comments:

*“Personal value I think is unique.... So you value it yourself and then the external company would see that you come from, you have worked in different countries...”*

Given the current (at the time of the research) economic climate and the shortage of comparable work alternatives, my sample were happy to remain with their current organisation, in their current role for the time being. This finding emphasises the role of external market factors on the individual’s career choices. Andrew (38, Irish, married, 3 children)’s comments describe the weakened power of employees in the current economic climate, particularly for international employees: *“I think a lot of people right now are just*

*happy to have a job...I've been lucky to avoid [redundancy]. Very lucky. I see an awful lot of extremely good people being let go right now. There is no job security in this industry.... [I] t is a concern. Particularly when you have kids because the reality is if I'm laid off, then I'm in a significantly worse position here than a German would be. And in terms of the scope, opportunity of employment beyond what I have is limited. So there is that issue without a doubt."*

Brian (39, Irish, single) echoes Andrew: *"I would say [that my current position is a] gap stop. I was general manager of a small company and when that basically went to the wall through the downturn, through complications, it was a question of finding a job, another job, so when this opportunity came along it was like you know I have to take it. I mean it meant quite a huge reduction in salary but it was either that or just get unemployment."*

While some employees are lucky enough to be on the fast track to career progression, Shaun (39, English, married, 2 children) realises this is not commonplace:

*"I wouldn't say career planning is wonderful here... [T] here's only a few positions where people can ... evolve to. Saying that, we try and evolve people within their jobs to gain more technically competent, and for most people that's ok, but for some, they're looking for managerial positions, and there's only limited positions here. ... [For me personally] I mean only last week I was on an assessment centre for 3 days ... and that's part of [a] career development programme for me personally, but I'm one of the exceptions. I know not everyone's being treated like this."*

The reduction in vertical career opportunities renders career management even more essential for organisations wishing to keep their international workforce. Once the economy picks up again, such members of the workforce may be tempted elsewhere.

### **Some implications for SHRM**

Where strategic human resource management propounds the competitive advantage organisations can achieve through the effective use of their human capital (Pfeffer, 1995), this paper discusses the “reality” as perceived by the interviewees in this study, outlining some implications for strategic human resource management in practice.

Angie (41, American, married, 2 children) advocates her organisation’s policy and sums up the perceived competitive advantage of a truly international organisation:

*“I think more international than (company name) is not possible. ... And I think it’s one of the strongest values in (company name) because ... other companies build typically an American product or a product for their country and then they internationalise it. You know, for us, it’s just, it’s culturally in us. And I think anybody from (company name) looking for a job elsewhere, it’s an enormous value... ...[S]ome of these people that came in speak 5 languages and lived in 10 different countries... ... I think the Germans and the French and the Swedes kind of got represented in the product and everybody got educated that their country isn’t the only country on the map. And I think it’s a big advantage we have over, for example our biggest competitor... They were US by design and they tried to make themselves international and expand internationally. And I think it’s more difficult.”*

However, she admits that the organisation’s management team in France is Franco-centric, to the detriment of non-host country nationals seeking promotional opportunities: *“I think that,*

*where things could probably be better is here ... at the headquarters..., where there's no reason why it couldn't be less French and more international, especially in the Management."*

The respondents stress the importance of cultural experience in a growing global economy. For instance, Kate (38, English, married, 2 children) believes: *"For a company to survive these days they really need to work on an international front really."* Angie (41, American, married, 2 children) agrees: *"Well, I think not in all contexts, but I think it's becoming more and more important. ...[For instance my husband has] run a very successful business without ever really having to make any concessions whatsoever culturally for other cultures, but I think in other businesses, and in Technology and so forth, I think it's probably very, very beneficial and probably under-estimated the value that type of experience has for an employee."*

Richard (35, Dutch, married, no children) notes the strategic role expatriates play in international management:

*"The thing is it helps perhaps to have a regional candidate in those roles, say the Chinese or somebody from Singapore as they ultimately know their region better and they're more familiar with the culture. But equally the duty of expat I thought was by rotating people from one country to another you can really capitalise on best practice. The fact that you may have done something nice in Holland, perhaps the people in Thailand will face the same problem [and] are not aware of that. And if you have this rotation of expats, in theory perhaps you could argue that it's a nice way of sharing knowledge and expertise. And also I think this pool of expats ... [are] the ones that keep the corporate culture together from one place to another."*

Many respondents noted the motivation they get from learning and diversity, and recognise that they could get bored and look for external work opportunities should their roles become unchallenging. The following comments from Geraldine, Clare and Edward depict this:

*“I like... learning, being curious I think pushes you to take on more. The reverse side of that is that once you know what you’re doing you tend to become a little bit bored... So you’re in constant pursuit of new activity. I mean if you’re in a job that asks for that, that’s fine. But if you’re not, then it can present a problem really.”* (Geraldine, 52, female, French (ex-British), divorced, 1 child).

*“[I]f I couldn’t have all this different environment, I would be very unhappy. I don’t like things that are the same day after day after day. I mean I like the challenges of new.”* (Clare, 62, American, divorcee, no children).

Edward (50, English, married, 2 children), a traditional expatriate feels the same way in returning from an international assignment:

*“Coming back from an overseas assignment can often be quite difficult. What tends to happen when you’re out there, ...is that... at least from my experience and my colleagues experience, you acquire a great level of responsibility; you are asked to do more than if you would be at home. The very size of the job, the value of the job, its scope is likely to be larger than what you’re used to at home. And because the staff is perhaps smaller, people do get given more responsibility. Now when you get back from that, you’ve gone through a very steep learning curve: your company’s given you a lot and you’ve extracted a lot from them too as an experience. Companies often don’t know what to do really with these people when*

*they bring them back. ... When I came back from Dubai, a large proportion of the office ..., [w]ithin the space of about 9 to 12 months... [m]any of them had moved onto other countries, they had gone and done MBAs, they'd done something because they felt under-utilised when they came back."*

Angie (41, American, married, 2 children) underlines the importance of visibility to senior management, the relationship between the employee and his/her superior, and indeed the power of his/her superior in promotional opportunities in her organisation:

*"[W]e make conscious decisions on certain people to give them visibility on projects where we know people from other departments are going to see them because that's what ultimately will make the difference between you officially going into the management team... ... If you get a good reputation with one of the good managers or the good directors, even some of the bad ones... they're the ones, when they push somebody's name, it tends to have value in the organisation."*

This differs with Vincent (41, Irish, partner, 2 children)'s experience:

*"I mean it's very much a meritocracy. Am so it kind of really doesn't matter where you come from or what you do, it's a question of what you're capable of doing."*

The retention of internationally knowledgeable managers in host country organisations depends in no small measure to whether or not they wish to remain in the host country. If so, their allegiance to the organisation of employment in that area is strong. Vincent (41, Irish, partner, 2 children) told me that: *"any time I'm ever kind of asked at work, which kind of happens once every couple of months, ... would you like to move and I kind of think: "hang*

*on, you're asking me to uproot my family from where they consider home. You know, it's not like we're abroad for a few years, it's actually home you know".*"

Nonetheless, findings from my empirical study show that individuals are very aware of the external environment, are responsive to change, and keep an open mind regarding other potential options external to the organisation (boundaryless career). They felt that their international experience would be valued in the external job market, by other organisations. Brian (39, Irish, single) told me that: *"if a company offered me tomorrow, would I move to so and so place for a year or 2 or whatever, I'd certainly consider it. ... And it could be for personal reasons or family or private reasons or it could be that I'm just offered an opportunity to work somewhere else."* This finding is in keeping with Stahl et al (2002) and Tung (1998)'s research undertaken with traditional expatriates and concurs with literature on the boundaryless career which underlines the choice of a non-organisation specific career path.

This has implications in practice for organisations wishing to retain the cultural diversity in their organisation by extending interest in the individual's career to that of encompassing a more systems approach including personal and social situation. Brewster has noted that "[t]he contextual paradigm is perhaps more widespread in Europe" (Brewster, 2005: 7) because "Europe is a truly multi-cultural area and there is a high awareness of this diversity" (ibid: 8). If the permanent expatriate is content in his/her organisation and with his/her job there may be no motivation to move to another organisation or even to look to move. An organisational career track in the host country may be chosen. Indeed in today's troubled economic climate and in the context of job insecurity, employees are very slow to leave a permanent position for unknown pastures.

## **CONCLUSIONS & FURTHER RESEARCH AREAS**

### **Conclusions**

For international organisations, the value of having a workforce that is knowledgeable and adaptable in international settings has been emphasised (LeCompte Gittins, 2003; Jackson, 2002; Dowling et al. 1999; Adler, 1986). The relevance of geographic (or lateral) flexibility and cross-cultural experience in international career development has been argued (Jackson, 2002: 148). The importance of managing cultural diversity has been repeated in international management literature (LeCompte Gittins, 2003; Morrissey, 2002, Rosenzweig, 1999; Franch & Kashani, 1999; Trompenaars & Turner, 1997; Schneider & Barsoux, 1997; Calori & de Woot, 1994; Hofstede, 1993, 1991, 1985, 1980). This study has examined empirically the perceived value of cultural knowledge for individuals and their employers in the international space. The research undertaking has shown that while many international managers feel valued by their employers, this is not universal, but contextually based (hierarchy, internal politics, external economic situation).

While international experience has been cited as favourable for the interview sample in terms of recruitment prospects and their initial company position, the development of these managers is often dependent on their immediate hierarchy and social network within the organisation. While some of the sample felt they were privileged in their position by virtue of their international status, there is no broad based strategic plan to encourage the retention of internationally knowledgeable employees. This leads to frustration among some managers who are perhaps more tied to the organisation and employment, particularly in a climate of economic downturn, than a local country national (who would more easily gain employment in local industry where international experience is not as valued). This has serious implications for strategic human resource management in practice, where in economic boom

situations multinational organisations could be faced with disappearing culturally competent managers, who go elsewhere in search of a more challenging role.

### **Suggestions/Recommendations for Further Research**

My research has focused on the perspective of the individual. A quantitative survey would be interesting to uncover significant trends across a wider population of international managers, or indeed across the wider international workforce.

An organisational angle would yield valuable insight into the organisation's strategic plans for an international workforce. A strategic analysis regarding how individuals in the workforce (each with different experiences, backgrounds and motivations) are being targeted within the internal organisation for development, promotion and advancement would be an interesting parallel to this study. It would suggest how organisations' international human resource management function is taking/plans to take account of the changing nature of the workforce, in order to maximise potential for the individual and organisation's good.

Further analyses relating to gender differences, relationship differences (married/single/family; host country spouse, national country partner...), significant life occurrences among the sample would be interesting to investigate the international career in more depth. This is currently part of my own research agenda where I am investigating the international career of permanent expatriates in France.

### **BIBLIOGRAPHY**

- Adler, N. (1981) "Re-entry: Managing cross-cultural transitions", *Group & Organizational Studies*, vol. 6, pp. 341-356.

- Adler, N. (1986). *International dimensions of organizational behavior*, Boston, MA: PWS Kent.
- Adler, P. & Adler, P. (1987). *Membership Roles in Field Research*, Beverly Hills: Sage
- Ali, A.J. (2000). "Global Managers" in Ali, A.J. (2000), *Globalization of Business Practice & Theory*, Binghamton, NY 13904-1580: International Business Press (The Haworth Press Inc).
- Anonymous (1992), "The Elusive Euro-Manager", *The Economist*, London, November 7th 1992, vol. 325, iss. 7784; p. 83.
- Arredondo, P. (1996) *Successful Diversity Management Initiatives*, Thousand Oaks: Sage.
- Bartlett, C. A. & Ghoshal, S. (1989) *Managing Across Borders: The Transnational Solution*, Boston, MA.: Harvard Business School Press.
- Beynon, H. (1988). "Regulating Research: Politics and Decision Making in Industrial Organizations", in Bryman, A. (ed.), *Doing Research in Organizations*, London: Routledge, chapter 1, pp. 21-33.
- Black, J. S. & Gregersen, H. (1999) "The right way to manage expats", *Harvard Business Review*, vol. 77, pp. 52-57.
- Boyacigiller, N. (1995). "The International Assignment Reconsidered", in Mendenhall, M. & Oddou, G. (1995), *Readings & Cases in International Human Resource Management*, Cincinnati, Ohio: South-Western College Publishing, 2<sup>nd</sup> ed., pp. 149-156.
- Bresnen, M. (1988). "Insights on site: research into construction project organizations", in Bryman, A. (ed.), *Doing Research in Organizations*, London: Routledge, chapter 2, pp. 34-52.
- Brewster, C. (2005). "Human Resource Management in Europe. Evidence of Convergence?", in *EFMD (European Foundation for Management Development) Magazine Forum*, Summer 2005, pp. 7-9.

- Bruner, E. M. (1993). "Introduction: The ethnographic self and the personal self", in Benson, P. (ed.), *Anthropology and literature*, Urbana: University of Illinois Press, pp 1-26
- Buchanan, D., Boddy, D & McCalman, J. (1988). "Getting in, getting on, getting out, and getting back", in Bryman, A. (ed.), *Doing Research in Organizations*, London: Routledge, chapter 3, pp. 53-67.
- Calori, R. & de Woot, P. (1994), *A European Management Model. Beyond Diversity*, Hertfordshire: Prentice Hall (International) Ltd.
- Crompton, R. & Jones, G. (1988). "Researching White Collar Organizations: Why Sociologists Should Not Stop Doing Case Studies", in Bryman, A. (ed.), *Doing Research in Organizations*, London: Routledge, chapter 4, pp. 68-81.
- Denzin, N.K. & Lincoln, Y.S. (1998). "Introduction to This Volume", in Denzin, N.K. & Lincoln, Y.S. (eds.) *Strategies of qualitative inquiry*, Thousand Oaks, Ca: Sage Publications, pp. xi-xxii.
- Dowling, P.J., Schuler, R.S. & Welch, D.E. (1999). *International Dimensions of Human Resource Management*, 3<sup>rd</sup> ed., Cincinnati, Ohio, USA: South-Western Publishing.
- Easterby-Smith, M., Thorp, R. & Lowe, A. (1991). *Management Research: An Introduction*, London: Sage.
- Feldman, G. C. & Thomas, G. C. (1992) "Career issues facing expatriate managers", *Journal of International Business Studies*, vol. 23, pps. 271-294.
- Franch, J. & Kashani, K. (1999), "Rise of the cross-national manager", in Dickson, T. & Bickerstaffe G. eds. (1999), *Mastering Global Business*, Harlow, Essex & London, England: Financial Times, Prentice Hall/Pearson Education Ltd, pp. 223-225.
- Glaser, B.G., and A.L. Strauss (1967). *The discovery of grounded theory: strategies for qualitative research*, London: Weidenfeld and Nicolson.
- Gummesson, E. (1991). *Qualitative Methods in Management Research*, London: Sage

- Hofstede, G. (1980), *Culture's consequences: international differences in work-related values*, Beverly Hills: Sage.
- Hofstede, G. (1985), "The interaction between national and organizational value systems", in *Journal of Management Studies*, vol. 22, iss.. 4, pp. 347-57.
- Hofstede, G. (1991), *Cultures and organizations: software of the mind*, London: McGraw-Hill.
- Hofstede, G. (1993), "Cultural constraints in management theories", *Academy of Management Executive*, vol. 7, no. 1, pp. 81-93.
- Hopkins, W. E. (1997) *Ethical Dimensions of Diversity*, Thousand Oaks, Ca, London, New Delhi: Sage.
- Jackson, T. (2002). *International HRM. A Cross-Cultural Approach*, London: Sage
- Leblanc, B. (1994). "European Competencies – Some Guidelines for Companies", in *Journal of Management Development*, vol. 13, iss. 2, pp. 72-80.
- Lecompte Gittins, Francine (June/July 2003) "The Telecom Valley of France Sophia Antipolis, Cultural Diversity", *Frontplaces / STRATEGIC HUMAN RESOURCES - COMPENSATION NEWS*, <http://www.frontplaces.com/sophia/why.html>, accessed on 19 May 2005.
- Marshall, C. & Rossman, G. (1989). *Designing Qualitative Research*, California: Sage.
- Mason, J. (1996). *Qualitative researching*, London: Sage.
- McCracken, G. (1988). *The Long Interview*, Sage University Paper Series on Qualitative Research Methods, vol. 13, Beverly Hills, CA.: Sage.
- McQueen, R. & Knussen, C. (2002). *Research Methods for Social Science. An Introduction*, Harlow, Essex: Prentice Hall.
- Morrissey, S. R. (2002), "Careers for 2002 and beyond: Working in Europe", *Chemical & Engineering News*; Washington; June 3rd, 2002.

- Oddou, G. (2003) "Repatriate Assets: A conceptual framework for evaluating their value", Paper presented at the *Academy of Management Annual Meetings*, Seattle, WA, August 2003.
- Pfeffer, J. (1995) "Producing Sustainable Competitive Advantage through the Effective Management of People", *The Academy of Management Executive*, Vol. IX, No. 1, February, pp. 55-72.
- Pucik, V. & Saba, T. (1998). "Selecting and developing the global versus the expatriate manager: A review of the state-of-the-art", in *Human Resource Planning*. New York, vol. 21, iss. 4; pp. 40-53.
- Rosenzweig, P. M. (1999), "Strategies for managing diversity", in Dickson, T. & Bickerstaffe G. eds. (1999), *Mastering Global Business*, Harlow, Essex & London, England: Financial Times, Prentice Hall/Pearson Education Ltd, pp. 177-181.
- Schneider, S.C., & Barsoux, J.L. (1997). *Managing across cultures*, London: Prentice Hall.
- Seidman, I.E. (1991). *Interviewing as qualitative research*, London: Teachers College Press.
- Stahl, G.K., Miller, E.L. & Tung, R.L. (2002). Toward the boundaryless career : a closer look at the expatriate career concept and the perceived implications of an international assignment, *Journal of World Business*, Vol. 37 (2002), pp. 216-227.
- Taylor S. & Easterby-Smith, M. (1999) "Culture and Organisational Learning: Towards Pluralism", *Proceedings of the 3<sup>rd</sup> International Conference on Organizational Learning*, June, Lancaster University, pp. 1039-1059.
- Trompenaars, F. & Turner, C.H. (1997), *Riding the Waves of Culture*, 2<sup>nd</sup> ed., London: Nicholas Brealey Publishing.
- Tung, R. L. (1981). "Selecting and training of personnel for overseas assignments", *Columbia Journal of World Business*, vol.16, iss. 1, pp. 68-78.

- Tung, R.L. (1998). "American Expatriates Abroad: From Neophytes to Cosmopolitans", *Journal of World Business*, vol. 33, iss. 2, pp.125 – 144.
- Wright, P., Ferris, S. P., Hiller, J. S.. & Kroll, M. (1995) "Competitiveness through management of diversity: Effects on stock price valuation", *Academy of Management Journal*, 38, 272-287.