Training of Australian expatriates for management in SE Asia

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Abstract
This paper will review the literature pertaining to cross-cultural management training, with the purpose of identifying optimum training timing and methods for developing intercultural management effectiveness. The focus will be on Australian management expatriates posted to the South East Asian region. Expatriate Australian managers continue to be rated poorly in intercultural effectiveness by Asian business executives. Training programs in intercultural management are mostly underutilised, are seen as having limited effectiveness and are held prior to departure. ‘Within country’ (‘in-post’) training characterised by small, cross-organisational management groups is examined. These groups, aiming to develop relevant socio-cultural competencies and host culture relevant management practices are proposed for effective training of long term (over one year) Australian expatriate managers.

Keywords
Expatriate; Training; Intercultural Effectiveness

Introduction
The need for cross-cultural training for expatriates has been long established in the research literature (Black, Gregersen & Mendenhall, 1992), (Mendenhall & Oddou, 1985), (Tung, 1982). The reality, however, is that such training is often regarded as superficial (Stedham, & Nechita, 1997). US firms have improved in the number of companies offering cross-cultural, pre-departure or language training, from previous research indicating only one in three companies offering such training (Tung, 1982), (Mendenhall, Dunbar, & Oddou, 1987) to at least two in three offering such training (Guzzo and Noonan, 1992). The reasons for not offering cultural training for expatriates include: doubts about the effectiveness of the training (Mendenhall, & Oddou, 1985); trainee dissatisfaction with the programs (Mendenhall, & Oddou, 1985) (Mendenhall, Dunbar, & Oddou, 1987); the lack of time between selection and relocation (Anderson, 1998) (Coyle, 1993); and management questioning the need for such programs for reasons including the anticipated short (1-3 years) length of expatriate assignments (Tung, 1981). Effective, well-timed programs with a high participant and management satisfaction rating, would perhaps fill this obvious need in corporate human resource development.

The term expatriate is defined as people working in foreign countries (Cohen, 1977). The South East Asian region has been an important destination for Australian expatriates. A survey of 52 Australian companies in 1989-90 determined that SE Asia was the most common destination for expatriate international relocation (Coyle, 1993). The region is significant in terms of the degree of perceived cultural contrast with Australia, requiring expatriate managers skilled in intercultural management. Altogether, 12.9% of Australian exports were to the ASEAN group and Australia received 14% of its imports from ASEAN countries in 1999 (DFAT, 2000). Australia’s Foreign Minister estimated in 1997 that over 100,000 Australia expatriates were working throughout Asia (Downer, 1997b), with almost 6000 in Singapore (Downer, 1997a). Clearly the effectiveness of expatriate Australian managers is of importance to Australian trade and investment in the region.

The 21st century has been labelled as the ‘Asia-Pacific Century’ (Karpin, 1995). Training Australian managers to successfully manage across cultures within this region was a focus of the Karpin report (1995), commissioned by the Australian government in 1992. The research highlighted the fact that Australian managers were seen as ‘unwilling to adapt to cultural differences and appeared to be unaware of cultural differences between countries’ (Dawkins, Savery, & Mazzorol, 1995, p. 37).

In a discussion of expatriate preparation, it is necessary to contrast the terms ‘education’ and ‘training’. Training is defined as ‘a planned process to modify attitude, knowledge or skill behaviour through learned experience, to achieve effective performance in an activity or range of activities’ (United Kingdom Manpower Services Commission, 1981 quoted in Smith, 1998). In contrast, education is oriented towards future jobs, and is more broadly...
related to all aspects of life (Smith, 1998) (Tovey, 1997). The focus of this discussion is on training.

This review will critically examine the current state of cross-cultural training for Australian expatriate managers. The key aspects of the timing of training and type of training to potentially maximise effective intercultural management will be discussed.

**Current State of Cross-Cultural Training for Australian Expatriate Managers**

Research examining the effectiveness of Australian expatriate managers is relatively scarce. As part of the Karpin report, a telephone survey was conducted (supplemented by focus group discussions and personal interviews) of 502 Asian business executives (Dawkins et al., 1995). This was conducted in Singapore, Malaysia, Indonesia, Taiwan, and they were asked to rank Australian managers against five key trade and investment competitors active in the region (Japan, Germany, USA, UK and Taiwan) using a framework of managerial qualities. Australian managers were rated poorly against the key competitors on all levels (Dawkins et al., 1995). Singaporean and Indonesian focus groups reported Australian managers as ‘friendly but simple, lacking in understanding of Asians or Asian business practice’ (Dawkins et al., 1995, p. 38). These impressions of Australian managers, however, were based on only 19 per cent of respondents having contact with Australian business managers more than once a month, and there was no differentiation between visiting managers and expatriate managers (Dawkins et al., 1995, p. 9). As yet, there appears to be no research specifically examining Asian manager’s perceptions of Australian expatriate managers.

Australian expatriate managers, by nature of their situational demands, could be expected to perform better on the dimension of intercultural awareness than managers in general. The returned expatriate, for example, is regarded as a source of cultural information (Anderson, 1998). Research on 137 Australian expatriate managers in Hong Kong, determined that most managers (56%) were on their first overseas assignment, and the average assignment is between three and four years (Selmer & Lee, 1994). A total of 87% of expatriates on subsequent overseas assignments were found to be assigned to the same region (Selmer & Lee, 1994), indicating the potential for organisations to develop a knowledge base of culture and country specific information on intercultural management.

In an examination of cross-cultural management competence in Australian business enterprises in East Asia (with the largest group of respondents being expatriates in SE Asian assignments), Fish and Wood (1997) defined the competency areas needing attention. These were:- ‘developing skills in changing organisational mind-sets from ethnocentric to geocentric’; ‘developing skills in managing and dealing with staff in cross-cultural business settings’; ‘developing skills relevant to conveying the business image as well as the operational and strategic intent of the business enterprise in and across foreign business environments’; and ‘foreign language skills’ (Fish & Wood, 1997, p. 47,48). The researchers recognise that cross-cultural training and development programs focussing on these skills are needed. The majority of respondents had experienced at least two overseas assignments, and this raises the question as to whether overseas experience alone develops these competencies. Black, Mendenhall and Oddou (1991), found that with regard to expatriates on overseas assignments, that overall, ‘previous experience does not seem to facilitate the adjustment process’ (Black, Mendenhall, & Oddou, 1991, p.294).

Anderson (1998), in research that examined the preparation of seventy-two Australian expatriates and their families for relocation to South East Asia, found that only a minority (36%) of respondents reported attending formal cultural training courses. Respondent’s comments in this research indicated that cultural training courses would have been helpful.

A 1995 survey of 31 Australian expatriate employees (with the assignment countries not disclosed) found a higher percentage of companies offered cultural training (Davidson, & Kinzel, 1995). Amongst the managers in this sample, 69% were offered language training, 63% were offered general culture transition training, and 57% were offered training for local culture’s customs and social behaviour (Davidson, & Kinzel, 1995). The percentages were found to be lower than what was offered to US managers, with a similar survey with US expatriate managers reporting 10% to 13% higher access to such training. Less than 50% of Australian companies responding to the survey assessed their current training practices as sufficient (Davidson, 1995).

Against the background of the apparent need for improved cross-cultural competencies, the percentage of Australian expatriates offered cross-cultural training revealed by Anderson (1998) and Davidson and Kinzel (1995) appears low. Research by Hutchings and McClellister (1999) on 22 Australian organisations and expatriates working in China, found that no expatriate had received cross-cultural training. Ten respondents had received some language training with six of those having some content covering training in multicultural communication included in the language course.
Further research is needed, however, to draw conclusions on the state of affairs of Australian expatriates in South East Asia, with research published to date having such small sample sizes. Specific research investigating the relationship between cross-cultural competence of expatriate managers in the region and cross-cultural training would be beneficial.

**Timing of Training**

Sequential cross-cultural training, as proposed by Selmer, Torbion and de Leon (Selmer, Torbiorn & de Leon, 1998), suggests that predeparture training alone is inadequate as it does not take into account the variations in learning receptivity that occur over the expatriate period. Predeparture training is suggested as being more suited to essential information on local conditions, didactic exposure to the cross-cultural adjustment process and issues of initial adjustment. The abstract ‘foreignness’ of the overseas situation is seen as limiting the effective interaction with the training provided (Selmer, Torbiorrn & de Leon, 1998). Mamman (1995) suggests that predeparture training is mostly relevant to expatriate’s early adjustment in a culture.

The time between the decision to accept an overseas posting and departure is relatively short, with only 64% of respondents in Anderson’s Australian expatriate (Anderson, 1998) research indicating they felt there was sufficient time between the posting decision and departure. The impact of relocation stress on the expatriate and the family also would limit receptivity to training, with 3 months after arrival being nominated as the most acute phase of such stress (Coyle, 1993). The expatriate’s frame of reference usually shifts from home to host culture from four to seven months post-arrival (Torbion, 1982), hence the expatriate is more receptive to learning new behaviours at least four months after arrival.

The four post-arrival phases of adjustment are (Selmer, Torbion & de Leon, 1998) ethnocentric, culture-shocked, conformist and culturally adjusted. In the ethnocentric phase, methods of training where cultures are contrasted should help to enhance cultural awareness and lower ethnocentrism. Cross-cultural training is seen to be most effective in the culture shocked phase, utilising methods such as giving explanations for actual cross-cultural experiences and encouragement towards experimentation with new behaviours ‘on the job’. The conformist phase offers the opportunity to train the expatriate in ‘learning by doing as the host-culture members do’ (Selmer, Torbion, & de Leon, 1998, p.837). The interactional learning possible during this phase has the potential for long term effects due to the immediacy of application.

Selmer and his colleagues (1998) suggests that sequential training should be conducted in a group setting for expatriates from different organisations operating in the same host culture, providing also the potential for interpersonal networks amongst expatriate managers. The benefits of such networks have been highlighted by Tung (1998), who points out the trend towards expatriates spending more time abroad as compared to her previous study in 1981. The expatriates most commonly nominated 6-12 months as the time to feel comfortable in the foreign environment, indicating that training over a period of time could provide both support as well as cross-cultural skill refinement (Tung, 1998). Hutchings and McEllister (1999), have identified ‘in-post support’ with ‘work-related skill development, mentoring and consultative groups’ (p.157) as being a major need for Australian expatriate managers. ‘In-post support’ is defined as the range of training and other support services available for expatriates while they are stationed in the host country. Hutchings and McEllister (1999) found that none of their research subjects, being twenty-two Australian expatriates in China, received such support.

Some international organisations have adopted a sequential process in cross-cultural training. The Canadian International Development Agency (CIDA) has provided a training framework which includes extensive pre-departure training, a post-arrival training with co-workers to facilitate productive integration, and periodic ‘refreshers’ throughout the assignment (Lane, DiStefano, & Mazneveski, 2000). Jardine Matheson, the multinational trading giant, have a two year on the job training program for new graduates which addresses intercultural management issues through group discussion amongst its multicultural trainees (Williams, & Bent, 1996).

Web based training allows access to documentary, collaborative and interactive information over the course of an expatriate assignment (Fontaine, 1997). Due to the potential for posting from managers on assignment and host culture nationals, intercultural management websites also permit the build up of a ‘reservoir’ of relevant experiences and insights from expatriate individuals and organisations ‘on the field’ over a period of time longer than a single training course. Broad access to such information enables interaction with host nationals and people from different cultural perspectives, enabling critical analysis of cultural information such as sociotypes, stereotypes, and appropriate intercultural behaviours and practices.
Type of Training

Choosing the most effective intercultural management training methods for a particular assignment has been aided by well-established frameworks (Black, & Mendenhall, 1989) (Black et al., 1992) which have been modified over time (Gudykunst, Hammer & Wiseman, 1996) to incorporate new training design and delivery techniques. These frameworks suggest that training methods should be chosen depending on the length and type of assignment, dissimilarity between host and expatriate culture and the degree of ‘culture toughness’ (resistance to outside influences).

The well known ‘training needs analysis’ has traditionally focussed on the three levels of organisation, operations and individual, to analyse needs and integrate them together in training design (McGehee, & Thayer, 1961). Australian training has been guided by the Australian National Training Authority (ANTA), which has favoured a competency based training agenda (Smith, 1998). Competency based training is ‘training geared towards specific outcomes which reflect the required competencies in the workplace’ (Tovey, 1997). Competency standards have not yet been formally established for intercultural management, and such a process would aid in training design.

There have been a number of categorisations of cross-cultural training (Gudykunst, Hammer, & Wiseman, 1977), (Landis, & Bislin, 1983), (Blake, Heslin, & Curtis, 1996). Compared to Blake (Blake et al., 1996), I have developed further the categorisations of cross-cultural training suitable for expatriate managers, with an exploration of the types of learning each activity provides (Table One). This table, therefore, is a catalogue of training activities based on the type of learning required at different stages of the expatriate training process.

The type of training suggested by Selmer (1998) as previously discussed, has been used successfully with overseas students in U.K., Canada and Australia. The ExcelL program focuses on developing socio-cultural competencies that participants identify and then apply in their own environment (Mak, Westwood, Ishiyama & Barker, 1999). The format of role-based training in groups provides the opportunity for feedback, provides a method of diagnoses and shared problem solving, and the supportive environment enables mutual validation (Mak, Westwood, Ishiyama, & Barker, 1999). For empirical evidence on the ExcelL (Excellence in Experiential Learning and Leadership, see (Mak, Westwood, Barker, & Ishiyama, 1998) (Mak, Barker, Millman, & Logan, 1998).

Action learning incorporating similar programs has been found to be effective in management training (Smith, 1998). Such programs based on Social Learning Theory (Bandura, 1977), have been recommended in cross-cultural training in the business environment for some time (Black, & Mendenhall, 1989). The socio-cultural competencies needed in the host country cross-cultural management context would need to have immediate day-to-day application to justify the allocation of training time in the ‘in-post’ environment and in particular, the culture shocked and conformist phases. These types of programs, however, are relatively untested with expatriate managers in the post arrival environment, and further research is required to test the effects on cross-cultural management competencies.

Documentary and interpersonal methods both have been shown to have beneficial effects on managerial

<table>
<thead>
<tr>
<th>Category</th>
<th>Activities/ Techniques/ Topics</th>
<th>Type of Learning and timing</th>
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<tbody>
<tr>
<td>Intellectual or area study</td>
<td>Books, films, lectures, web based instruction, personal research, History, values, do’s and don’ts, beliefs, practices</td>
<td>Didactic, informational, Predeparture phase</td>
</tr>
<tr>
<td>Laboratory</td>
<td>Cross-cultural exercises, language learning, culture assimilator, development centres</td>
<td>Cognitive learning, programmed instruction, self-awareness, Predeparture phase</td>
</tr>
<tr>
<td>Case Study</td>
<td>Scenarios dealing with cross-cultural management issues</td>
<td>Application of theory, integrative, Predeparture and conformist phases</td>
</tr>
<tr>
<td>Field Experiences</td>
<td>Orientation visits to the country prior to departure</td>
<td>Experiential, reflective, Predeparture phase</td>
</tr>
<tr>
<td>Group Discussion</td>
<td>Exchange of views, experiences and strategies in cross-cultural adjustment and management.</td>
<td>Ethnocentric and conformist phases, Action learning, self-awareness, skill development, Predeparture phase</td>
</tr>
<tr>
<td>Simulation</td>
<td>Construction and acting of interactive activities that require the performance of skills associated with intercultural performance.</td>
<td>Action learning, self-awareness, skill development, Predeparture phase</td>
</tr>
<tr>
<td>Role Playing</td>
<td>Interactive replay and construction of common intercultural encounters with an analytical framework of briefing and debriefing.</td>
<td>Action learning, self-awareness, skill development, Culture shocked and conformist phases</td>
</tr>
<tr>
<td>Sensitivity Training /</td>
<td>Self awareness exercises, reflection, stress reduction exercises, outdoor management programs</td>
<td>Self-development, self-awareness, Ethnocentric and conformist phases</td>
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<td>Personal Growth</td>
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performance overseas (Earley, 1987). Interactive web based training programs such as ‘Learning Space’, ‘Symposium’, and many others (Steed, 1999) offer further opportunities for didactic, collaborative, and interactive learning between geographically dispersed expatriates, human resource development professionals and management, particularly at the organisational level. Such interactive multimedia programs, including videoconferencing, combined with the program’s integrated curriculum management system, allow a flexible and curriculum rich ongoing training program for expatriates. This is particularly suited to time pressured managers. One of the major drawbacks of such training is the limitation on interaction between trainers and students, with immediacy still being limited by technology and different time zones for expatriates (Noe, 1999). The use of such learning tools to enhance effective intercultural management skills amongst Australian expatriates and in particular Australian expatriates on South East Asian assignments, is yet to be reported in the literature.

Intercultural programs should include ‘both general and specific information presented in a way that increases individuals’ awareness of their culture relative to another culture’ (Earley, 1987, p. 696). With the increasing diversity of Australian expatriate managers (Mamman, 1995), understanding the individual in relation to the culture becomes increasingly important in training. The influence of individual biographical factors on expatriate’s intercultural effectiveness, demands that self-awareness of how personal characteristics may influence effectiveness in the host culture (or cultures) be included in training from pre-departure onwards (Mamman, 1995). Ideally, this process of self-examination continues through the expatriate’s progression towards intercultural management maturity (Wright, 1994). Workplace and management effects of individual differences amongst members of the host cultures must also be highlighted. Training methods such as group discussion aid in this process (Au, 1997), particularly in the ethnocentric and conformist phases.

**Conclusion**

An approach to training that integrates a sequential process from pre-departure to at least 12 months into the assignment, with learning activities suitable for each phase, needs further investigation to establish it’s potential in developing intercultural management effectiveness. Training methods can also harness the benefits of the internet, to provide culture specific data, collaborative learning and importantly, build the organisation’s knowledge of intercultural management in the expatriate’s particular context.

The internet can also be used to provide modularised information at appropriate points in the cultural adjustment process.

Training in cross-organisational supportive groups for expatriate managers over the first twelve months of their assignment, focussing on intercultural communication and management skills, is worthy of further investigation.

Research is needed amongst Australian companies sending expatriate managers to SE Asia to establish the extent of training, the timing of training, the suitable methodologies of training, and the impact of training on cross-cultural management effectiveness.

**References**


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