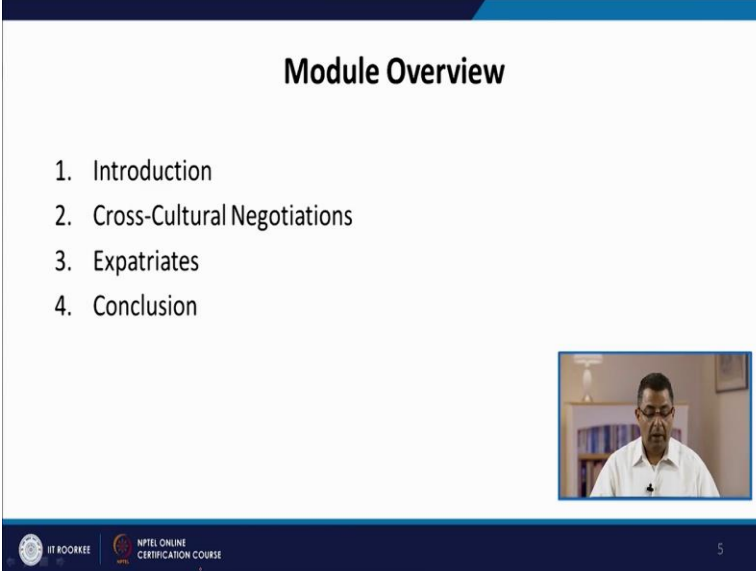


Global Marketing Management
Prof. Zillur Rahman
Department of Management Studies
Indian Institute of Technology- Roorkee

Lecture – 29
Sales Management – Part II


Welcome to this course on global marketing management and we were talking about the sales force management of the sales management in module 28. And we will continue with the same discussion in module 29 and now we will talk about the cross cultural negotiation. Now in this the problem here is that negotiations are held 1 to 1 and face to face and it may involve people from across the world from different parts of the world and these people will have a different kind of language one and they will they come from different kind of culture.



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Module Overview

1. Introduction
2. Cross-Cultural Negotiations
3. Expatriates
4. Conclusion



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So, now what to do in this kind of situation, one and another thing that will talk about are about the expatriates. Expatriates are people those who work in a foreign country.

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Introduction

- Conducting successful cross-cultural negotiations is a key ingredient for many international business transactions.
- International bargaining issues range from establishing the nuts and bolts of supplier agreements to setting up strategic alliances.
- Cross-cultural negotiations are further complicated by divergent cultural backgrounds of the participants in the negotiation process.



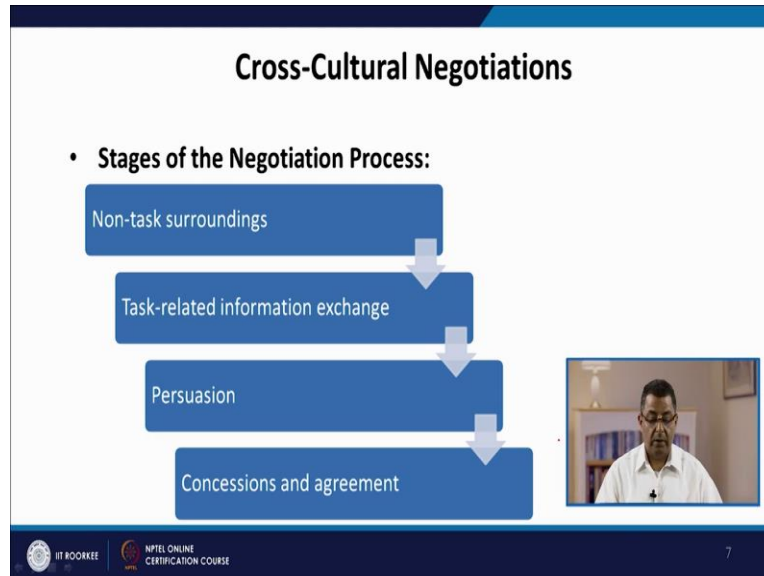
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So, conducting successful cross cultural negotiation is a key ingredient for many international business transactions. For many international business transactions, these cross-cultural negotiations are important because most of the time when two big companies are involved so that a B2B or industrial marketing happens and in that case this cross-cultural negotiations becomes a key ingredient and some of the determining factors in the success of this negotiations may not be the product related.

So international bargaining issues range from establishing the nuts and bolts of supplier agreement to setting up of strategic alliances and these cross cultural negotiations are further complicated by divergent cultural backgrounds of participants in the negotiation process. So, there are people coming from different kind of kind of cultures and both the oral the or the verbal and nonverbal communication comes into play.

And then both these component of communication have a role to play in whole of this negotiation process. These are the various stages of the negotiation process. It starts with non-task surroundings. So, we are still not talking of task we are talking of non-task surroundings.

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And then comes task related information exchange. So it starts with non-task surroundings and then comes to the task surrounding. So, immediately negotiations do not start with task related processes and then it moves on to persuasion and concessions and agreements.

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Cross-Cultural Negotiations

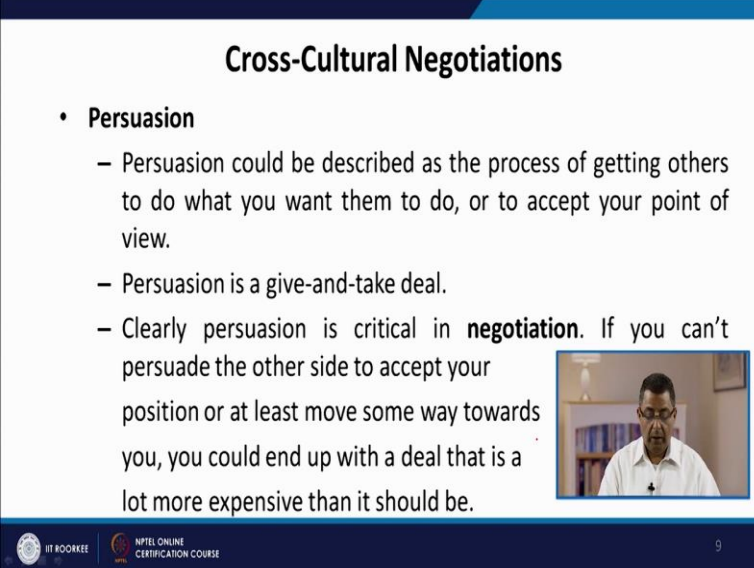
- **Non-task soundings**
 - These include all activities that are used to establish rapport among the parties involved.
 - Developing a rapport is a process that depends on subtle cues.
- **Task-related information exchange**
 - Intelligence gathering is crucial in obtaining a picture of the other side so we can assess their needs, motivations, and goals with respect to our own.

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Now what are these non-task surroundings. This include all activities that are used to establish rapport among the parties involved. So, now this acts as breaking the ice between two parties or maybe three or more than more than two parties so how to break the ice, one. And developing a rapport is a process that depends on subtle cues. So, this may depend more on non-verbal communication as compared to the verbal communication.

The next step in this negotiation process is the task related information exchange. Now comes the task. Intelligence gathering is crucial in obtaining a picture of the other side so we can access their needs motivations and goals with respect to our own. So, here what we are doing is that we are you doing a homework on our on the on the parties where we want to get into negotiations. So, that we can understand their mind what do they want what are their needs motivations and goals.

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Cross-Cultural Negotiations

- **Persuasion**
 - Persuasion could be described as the process of getting others to do what you want them to do, or to accept your point of view.
 - Persuasion is a give-and-take deal.
 - Clearly persuasion is critical in **negotiation**. If you can't persuade the other side to accept your position or at least move some way towards you, you could end up with a deal that is a lot more expensive than it should be.

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And then using all this information then we move on to the third step that is Persuasion. So, Persuasion can be described as the process of getting others to do what you want them to do or to accept your point of you. Here it is a give and take deal, so it is not that you can just give or you will have to just take. So, both the parties have to come with an open mind keeping in mind that it is a give and take situation.

Clearly Persuasion is critical in negotiations, if you cannot persuade the other party to accept your position or at least move some way towards you, you could end up with the deal that is lot more expensive than it should be or lot more difficult or expensive then you wanted it to be.

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Cross-Cultural Negotiations

- **Concessions and agreements**
 - The final step involves concession making, intended to result in a consensus.
- Not surprisingly, negotiation practices vary enormously across cultures.
- Japanese negotiators devote much more time to nurturing rapport than U.S. negotiators.
- For Americans, the persuasion stage is the most critical part of the negotiation process.





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The next is concessions and agreement. After persuasions where you have got into this give and take situations you are giving something and you are getting something and similarly the other party is also giving something and getting something. So, the final step involves concession making intended to result in a consensus. So, in negotiations you see that this concession making and consensus is important.


So, we are giving concessions, other parties taking the concessions. Other parties giving the concessions and we are taking concessions and at the end of the day we get into a consensus. Not surprisingly negotiation practices vary enormously across cultures. Japanese negotiators they devote much more time to nurturing rapport than US negotiators. So, the Japanese negotiators they spend lots of time at the first step that is non-task surrounding when they are talking with the US negotiated dealing with US clients. For Americans the Persuasion stage is the most critical part of the negotiation process. So, they, the Americans they move on to the third step while Japanese spend more time in the first step. Americans, they spend more time in the third step.



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Negotiation Styles and Guidelines in Five Countries

	France	Poland	Turkey	Russia	Spain
Language	<ul style="list-style-type: none"> Younger people: English acceptable Older people: French – if necessary, agree at early stage to use an interpreter 	<ul style="list-style-type: none"> English or German Do not overestimate fluency Be willing to use an interpreter 	<ul style="list-style-type: none"> Be careful with terminology; allow extra time for language problems Be clear and succinct Avoid being negative 	<ul style="list-style-type: none"> Do not expect partner speaks English (especially outside big cities); find good interpreter 	<ul style="list-style-type: none"> Do not assume command of English Consider using interpreter Documents and business cards should be in Spanish, not just English
Sequence	<ul style="list-style-type: none"> General principles – rough outline – details 	<ul style="list-style-type: none"> Goal-directed Little small talk Prepare for lengthy delays 	<ul style="list-style-type: none"> Small talk matters a lot Wait to talk business until host brings it up 	<ul style="list-style-type: none"> Negotiations can be protected Starting times not always respected Frequent interruptions 	
Communication style	<ul style="list-style-type: none"> Abstract and elaborate Relish in logic, battles of wits Straightness – blunt, rude Avoid hard sell 	<ul style="list-style-type: none"> Unemotional Lack of flexibility of Polish counterparts 	<ul style="list-style-type: none"> Be flexible to manage delays; factor in unexpected Avoid bluntness Stick to main message; avoid weakening arguments with minor points Listen first, then ask questions; don't put words into counterpart's mouth 	<ul style="list-style-type: none"> Personal relationships play vital role; regard personal invitations as a partnership investment Russian partners can be "slow" 	<ul style="list-style-type: none"> Be prepared for delays Interruptions common Several people may talk at once Discussions can be lively Spanish people rely on quick thinking, spontaneity Negotiations can be lengthy
Contact	<ul style="list-style-type: none"> Very formal, flowery Fairly brief 	<ul style="list-style-type: none"> Technical Very detailed 		<ul style="list-style-type: none"> Avoid any changes to contracts; if necessary you will need to make a strong case 	
Context	<ul style="list-style-type: none"> Entertaining matters a great deal but usually done at restaurants Do not raise issues until end of meal 		<ul style="list-style-type: none"> Entertaining important; often at host's home 	<ul style="list-style-type: none"> Usually at restaurants Business important ritual but be careful 	<ul style="list-style-type: none"> Can invite partner for lunch or dinner Deal with top executives often agreed during meals; middle managers work out details later

Source: Constructed from "Tajiri: A Battle of Wits and a Good Luck" *Financial Times* (September 11, 2000), p. 9; "Crossing Cultural Barriers" *Financial Times* (September 25, 2000), p. 11 (Poland); "Contacts that Make or Break: Turkish Ventures" *Financial Times* (November 3, 2000), p. 14 (Turkey); "A Market Emerging from a Country in Isolation" *Financial Times* (February 19, 2001), p. 9 (Russia); "Formality, Feasting and Politics" *Financial Times* (October 9, 2000), p. 12 (Spain).




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Source: Constructed from "Enjoy a Battle of Wits and a Good Lunch," *Financial Times* (September 11, 2000), p. 9; "Crossing Cultural Barriers," *Financial Times* (September 25, 2000), p. 11 (Poland); "Contracts that Walk or Break: Turkish Negotiations," *Financial Times* (November 9, 2000), p. 14 (Turkey); "A Market Emerging from a Country in Peril," *Financial Times* (February 19, 2001), p. 7 (Russia); "Formality, Fraying and Patience," *Financial Times* (October 9, 2000), p. 12 (Spain).



Now look at the negotiation styles and guidelines in these 5 countries that are France, Poland Turkey, Russia and Spain. So, so far as language is concerned in France younger people English is acceptable older people French if necessary aggregate early stage to use an interpreter. In Poland English and German, do not overestimate the fluency and be willing to use an interpreter. In Turkey be careful with terminology, allow extra time for language problems, be clear and avoid being negative. In Russia do not expect partners speak English especially outside big cities, find good interpreters. In Spain do not assume command of English, consider using interpreter, documents and business card should be in Spanish, not just in English. The sequence, in France, it is general principles, rough outlines and then details, in Poland they are goal-directed, little small talks prepare for lengthy delays. In Turkey small talks matter a lot, wait to talk business until host bring the talks.

The negotiations can be protected in Russia, starting time not always respected and there can be frequent interruptions. The communication style in France is abstract and elaborate, relish in logic, battles of wits, straightness, blunt, rude, avoid hard sell. In Poland there are un emotional lack of flexibility of polish counterparts. In Turkey be flexible to manage delays, factor in unexpected, avoid bluntness, stick to the main message, avoid weakening arguments with minor points, listen first then ask questions but put words into counterparts move mouth.

In Russia personal relationships play vital role. Russian partners can be slow. In Spain personal relationship play vital role, regard personal invitations as a partnership investment, be prepared for delays, interruptions are common, several people may talk at once, discussion can be lively. Spanish people rely on quick thinking, spontaneity and negotiations can be length. Contracts in France can be very formal, flowery and they are fairly brief.

In Poland that they are technical very detailed, in Russia avoid any change changes to contract if necessary you will need to make a strong case. In France the context regarding context entertaining matters a great deal but usually done at restaurants, do not raise issue until end of the meal. In Turkey entertainment is important often at host home. In Russia usually at restaurants and toasting important rituals but be careful.

In Spain, can invite partying for lunch or dinner, deals with top executive often agreed during meals, middle managers stretch out details later.

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Cross-Cultural Negotiations

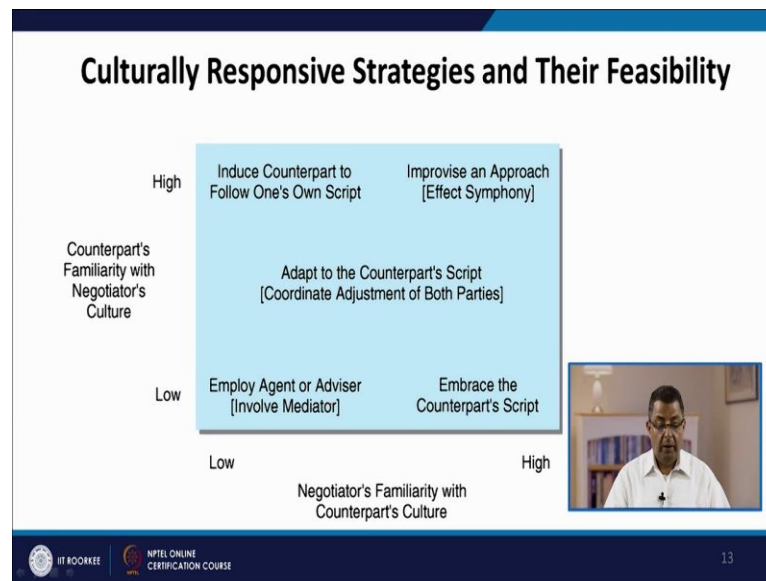
- **Cross-Cultural Negotiation Strategies**
 - Following is a framework of culturally responsive negotiation strategies, driven by the level of cultural familiarity that the negotiating parties possess about one another's cultures.
 - Cultural familiarity is a measure of a party's current knowledge of his counterpart's culture and ability to use that knowledge competently.

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Now let us look at the cross cultural negotiation strategies. Following is a framework of culturally responsive, on the next slides, there is a framework of culturally responsible negotiation strategies driven by the level of cultural familiarity that the negotiating parties poses about other culture. Cultural familiarity is a measure of a party's current knowledge of its counterpart's culture and ability to use that knowledge competently.

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Look at this on the left hand side we have counterpart's familiarity with the negotiator culture on the y-axis we have negotiator familiarity with the counterpart culture and they vary from low to high and again from low to high. So, when the when both the familiarities between the counterparts and the negotiator is high, then induce counterpart to follow one's own script. When both of them are low when both of them are high embrace the counterpart's script. When both of them are low, employ agents or advisors that involve mediators and when both of them are high improvise an approach that is effect symphony.

When one is low and another is high that is this one allows counter pass to follow own script when this is high and this is low then embrace the counterpart's script.

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Cross-Cultural Negotiations

- **Cross-Cultural Negotiation Strategies:** Depending on the particular situation, eight possible negotiation strategies can be selected.

- Employ an agent or advisor
- Involve a mediator
- Induce the counterpart to follow one's own negotiation script
- Adapt the counterpart's negotiation script
- Coordinate adjustment of both parties
- Embrace the counterpart's script
- Improvise an approach
- Effect symphony






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Now cross cultural negotiation strategies. Depending on the particular situation, eight possible negotiation strategies can be selected. First is to employ an agent or adviser who can advise you on a number of issues, involve a mediator, induce the counterpart to follow one's own negotiation script or you adopt to the counterpart's negotiation script, co-ordinate adjustment of both parties, embrace the counterpart script, improvise an approach or you affect a symphony. So, that is based on this.

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Cross-Cultural Negotiations

1. **Employ an Agent or Advisor:** Outside agents, such as technical experts or financial advisors, can be used when cultural familiarity is extremely low.
These agents can be used to provide information and to advise on action plans.
2. **Involve a Mediator:** Whereas the previous strategy can be used unilaterally, both parties can also jointly decide to engage a mutually acceptable third party as a mediator.





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Now what does it means, employ an agent or adviser. Outside agents such as technical expert or financial advisors can be used when cultural familiarity is extremely low. These agents can be used to provide information and to advise on action plans. Next is to involve a mediator. So, in

the first step we are employing an agent or an advisor, next we are involving a mediator. Where as the previous strategy can be used unilaterally both parties can also jointly decide to engage a mutually acceptable third party as a mediator.


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Cross-Cultural Negotiations

3. Induce the counterpart to follow one's own negotiation script:
When the counterpart's familiarity with your culture is high, it could be feasible to induce the other party to follow your negotiation script. (the rules, conduct, ends targeted, means towards those ends, etc.)

This strategy is especially useful when cultural knowledge is asymmetrical: the other party is knowledgeable about your culture, but you are not familiar with his or hers.

Inducement could be via verbal persuasion or subtle cues.



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The third strategy is to induce the counterpart to follow one's own negotiation script. When the counterpart similarity with your culture is high it could be feasible to induce the other party to follow your negotiation script, the rules, conduct, ends targeted, means towards those ends. This strategy is especially useful when cultural knowledge is asymmetrical, the other parties knowledgeable about your culture but you are not familiar with their culture. Inducement can be via verbal persuasions or subtle cues.

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Cross-Cultural Negotiations

4. **Adapt the counterpart's negotiation script:** With moderate levels of familiarity about the counterpart's cultural mindset, it becomes possible to adapt to his negotiation script.
5. **Coordinate adjustment of both parties:** When the circumstances lend themselves, both parties can jointly decide to arrive to a common negotiation approach that blends both cultures.
Occasionally, they might propose to adopt the negotiation script of a third culture.





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The next strategy is to adopt to counterpart's negotiation script. With moderate levels of familiarity about the counterpart's cultural mindset it becomes possible to adopt to his negotiation script or you can co-ordinate adjustment of both parties. When the circumstances lend themselves both parties can jointly decide to arrive to a common negotiation approach that blends both the cultures. Occasionally they might propose to adopt the negotiation script to a third culture.

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Cross-Cultural Negotiations

6. **Embrace the counterpart's script:** The negotiator volunteers to adopt the counterpart's negotiation approach.
This demands a tremendous effort from the negotiator. It can be effective only when the negotiator possesses a great deal of familiarity about the other party's cultural background.
7. **Improvise an approach:** This strategy constricts a negotiation script over the course of negotiating.
This approach is advisable when both parties feel very comfortable with their counterpart's culture.





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You can also the companies can also embrace the counterpart's script. The negotiator volunteers to adopt the counterpart negotiation approach. This demands a tremendous effort from the negotiator. It can be effective only when the negotiator possesses a great deal of familiarity about


the other party's cultural background. Or you can improvise an approach. That is this strategy constricts a negotiation script over the course of negotiations. This approach is advisable when both parties feel very comfortable with their counterpart's culture.

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Cross-Cultural Negotiations

8. Effect symphony: The final strategy capitalizes on both parties' high cultural familiarity by creating an entirely new script or by following some other approach atypical to their respective cultures.

For instance, the coordination could select parts from both cultures.



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And the last one is to effect Symphony. The final strategy capitalizes on both parties' high cultural familiarity by creating an entirely new script or by following some other approach, atypical to their respective cultures. For instance, the coordination could select path from both culture.

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Cross-Cultural Negotiations

- **Consider these steps prior to strategy selection.**
 1. Reflect on your culture's negotiation practices
 2. Learn the negotiation script common in the counterpart's culture
 3. Consider the relationship and contextual cues
 4. Predict or influence the counterpart's approach
 5. Choose a strategy




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Now, consider the following steps prior to strategy selection. The first is reflect on your cultural negotiation practices, learn the negotiation script common in the counterpart's culture, consider the relationship and contextual cues, predict or influence the counterpart's approach and then you choose a strategy.

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Expatriates

- **Expatriates** are home-country personnel sent overseas to manage local operations in the foreign market.
- In general, a successful expatriation starts with a selection of good candidates who are willing to try new things and persist in exhibiting an open-minded and flexible personality to accept the host country's norms.
- Therefore, firms should select expatriates whose personal values are in line with those of the host countries so that expatriates would have more social interaction with host nationals.



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Another thing that we will talk about today is; the expatriates are home country personal send overseas to manage local operation in a foreign country. So, a Indian goes to Sri Lanka to manage those operations in Sri Lanka, so he becomes a expatriate. In general, successful expectoration starts with the selection of good candidate who are willing to try new things, one and persistent exhibiting an open minded and flexible personality to accept host country norms.



So, the first thing that he is do he is supposed to have his willingness to try new things and persistent exhibiting an open minded and flexible personality. So that he is able to accept the host country norms. Therefore firms must select expatriates whose personal values are in line with those of the host country so that expatriate would have more social interaction with the host nationals.

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Expatriates

- **Advantages of Expatriates**
 1. Better Communication
 - Expatriates understand the home office, its politics, and its priorities.
 - They are intimately familiar with the products being sold and with previously successful sales techniques.
 - They can rely on personal relationships with home office management, which increases trust on both sides of the border and can give the expatriate the ability to achieve things that a third-country national or a host country national could not achieve.




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The advantage of expatriates is that one, they will have better communication; expatriates understand the home office, its politics and its priorities. They are intimately familiar with the products being sold and with previously successful sales techniques. They can rely on personal relationships with home office management which increases trust on both sides of the border and can give the expatriates the ability to achieve things that a third country national or a host country national could not achieve.

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Expatriates

- **Advantages of Expatriates**
 - With an expatriate abroad, communications with the home country will be easier and more precise owing to the groundwork of cultural and corporate understanding.
 - The expatriate will also give the home office the confidence that it has someone in place who understands the company's intent and expectations.



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The various advantages of expatriates are that with an expatriate abroad communication with the home country will be easier and more precise owing to the ground work of cultural and corporate understanding. The expatriate will also give the home office the confidence that it has someone

in places who understand the company's intent and expectations. So, the headquarters while using expatriate they have the advantage that there is someone in a foreign country who understand the company's intents and what they are what are their expectations.

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The slide is titled "Expatriates" in a bold, black font. Below the title, there is a bullet point: "• *Advantages of Expatriates*". Under this, there is a numbered list item: "2. Development of Talent". This item has two sub-points: "– The company develops future managers and executives who can later use their international perspective in management." and "– For example, the leaders of General Motors, Avon, Ford, Gillette, and Tupperware all have significant overseas experience in their careers." In the bottom right corner of the slide, there is a small video inset showing a man in a white shirt speaking. At the bottom of the slide, there is a dark blue footer bar containing the IIT ROORKEE logo, the text "NPTEL ONLINE CERTIFICATION COURSE", and the number "24".

Expatriates

- *Advantages of Expatriates*
 2. Development of Talent
 - The company develops future managers and executives who can later use their international perspective in management.
 - For example, the leaders of General Motors, Avon, Ford, Gillette, and Tupperware all have significant overseas experience in their careers.

The second is development of talent. The company developed future managers and executives who can later use their international perspective in management. For example the leaders of General Motors, Avon, Ford, Gillette and Tupperware all have significant overseas experience in their careers. So, the idea here is that the person who works in several countries will have lots of experience and knowledge about good practices and therefore there that will be helpful for the company in future.

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Expatriates

- *Difficulties of Sending Expatriates Abroad*


Cross-Cultural Training

Motivation

Compensation

Family Discord

Security Risk



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But the difficulty of sending expatriates abroad are; first is cross cultural training then the problem there is a problem of motivation, compensation, there, this will lead to family discord and there are several times in several countries there are also security risk.

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Expatriates

- **Difficulties of Sending Expatriates Abroad**
- 1. Cross-cultural Training
 - Training can significantly help in understanding the cultural differences of the foreign country.
 - During the first year of the assignment, having an executive coach with deep country-specific experience can add incalculable benefits to the new expatriate.




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Now let us see what this cross cultural training means. So, training can significantly help in understanding the cultural differences of the foreign country. During the first year of the assignment, having an executive coach with deep country specific experience can add incalculable benefit to the new expatriate. So, in this case when a person is sent abroad there is a need to have an executive coach who has a deep country specific experience. And then this person from this coach can coach, can train the person in that culture.

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Expatriates

- **Difficulties of Sending Expatriates Abroad**
 - A competent coach is able to provide feedback to executives on how others perceive them, and to provide a local perspective on problem solving that might otherwise not occur to someone who is new to the region.
 - It is advised that the more different the culture into which people are venturing, the more specific and rigorous the training needs to be.




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So, a competent coach is able to provide feedback to executives on how other perceives them and to provide a local perspective on problem solving that might otherwise not occur to someone who is new to the region. It is advised that the more different the culture into which people are venturing the more specific and rigorous training needs to be. So, the more the culture is different more amount of training on culture is required.

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Expatriates

- **Difficulties of Sending Expatriates Abroad**
 2. Motivation
 - Motivating expatriates to accept and succeed at positions abroad requires a combination of carefully planned policies and incentives.
 - Appropriate policies help make the prospects of going overseas attractive before, during and after it takes place.
 - Companies should set up and publicize career paths for expatriates that reward and use skills acquired overseas.



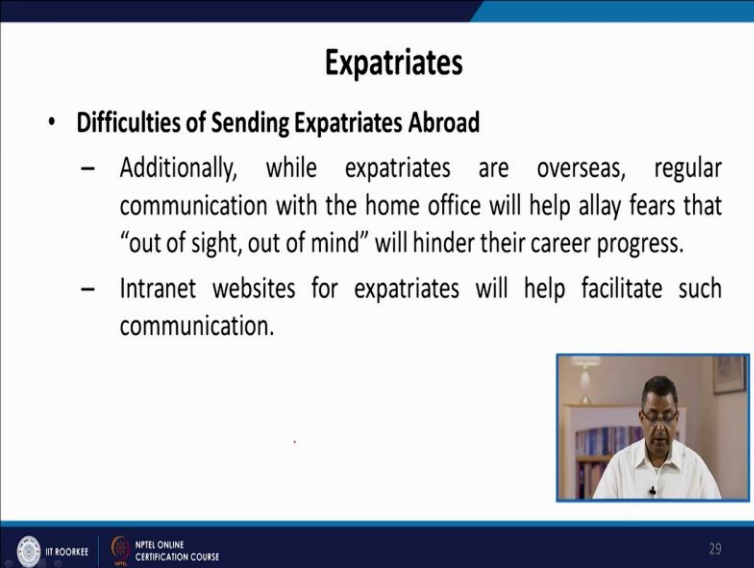
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Another difficulty that the company face when they are sending expatriates abroad is that of motivation. Motivating expatriates to accept and succeed at positions abroad requires a combination of carefully planned policies and incentives and these incentives can maybe

financial or they may be non-financial also. Appropriate policies help make the prospects of going overseas attractive before, during and after it takes place.

Company should setup and publicize career path for expatriate that reward and use skills acquired overseas. So, the idea is to motivate not only with financial and nonfinancial incentives but the company should also publicize the career path for expatriates so that can be of further motivation for them to go abroad and work there.

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Expatriates

- **Difficulties of Sending Expatriates Abroad**
 - Additionally, while expatriates are overseas, regular communication with the home office will help allay fears that “out of sight, out of mind” will hinder their career progress.
 - Intranet websites for expatriates will help facilitate such communication.

The slide includes a video inset of a man in a white shirt speaking. The footer contains the IIT ROORKEE logo, the text 'NPTEL ONLINE CERTIFICATION COURSE', and the slide number '29'.

Additionally, while expatriates are overseas regular communication with the home office will help allay fear that out of sight does not lead to out of mind and that will hinder their career progress. Intranet website for expatriate will help facilitate such communication. So, within the company network of communication will help expatriate to be in touch with the home country or the headquarters at home and they will not think that if they are out of the headquarters then they will be out of the mind.


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Expatriates

- **Difficulties of Sending Expatriates Abroad**

3. Compensation

- The average cost of maintaining a home country executive can cost three to five times what it costs to maintain an employee at home.
- Compensation packages include various premiums including overseas premium, housing allowances, cost-of-living allowances, tax equalizations repatriation allowances, all-expense-paid vacations, and performance-based bonuses.



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Another difficulty is that of compensation. The average cost of maintaining a home country executive can cost 3 to 5 times what it cost to maintain employee at home. So, you see that this is this become so much expensive 3 to 5 times more expensive. Compensation packages include various premiums for example overseas premium, housing allowances, cost of living allowances tax equalization, expatriate allowances, all-expense-paid vocations and performance based bonuses.



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Expatriates

- **Difficulties of Sending Expatriates Abroad**

- Special “hardship packages” can cause problems. Overseas employees could notice the discrepancy in remuneration among expatriates, local nationals, and third country nationals.
- Furthermore, expatriates who receive a generous compensation package while abroad may lose motivation on returning home to their previous salary scale.



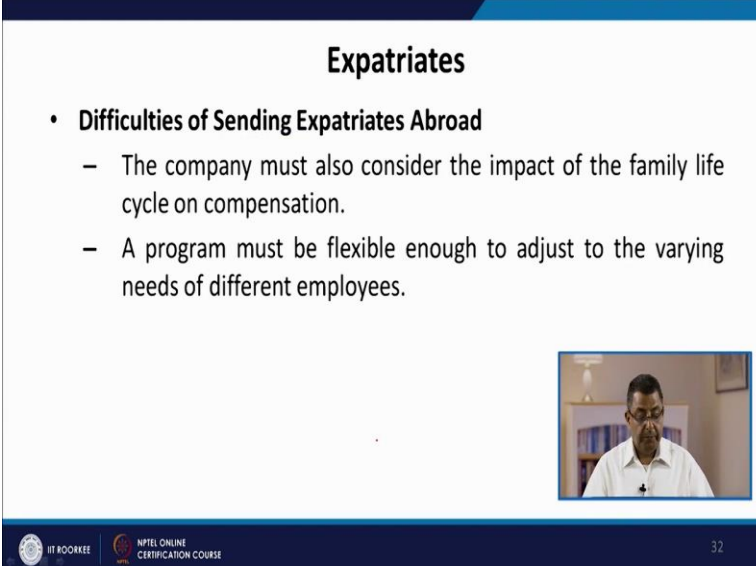
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Then they can also include special hardship packages and they can cause problem. Overseas employees could notice the discrepancy in remuneration among expatriates, local nationals and third country nationals. So, now because you are giving some people more than much more than

what others at similar positions are getting so that can create problem therefore this; and because of this hardship packages they can create they can also create lots of problems.

Furthermore, expatriates who receive a generous compensation package while abroad may lose motivation on returning home to their previous salary scales. So if those people, they come back home then they will lose all this hardship package so they may not like to come back to their homes.

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Expatriates

- **Difficulties of Sending Expatriates Abroad**
 - The company must also consider the impact of the family life cycle on compensation.
 - A program must be flexible enough to adjust to the varying needs of different employees.

The slide is a presentation slide from NPTEL. It has a blue header with the title 'Expatriates'. Below the title is a bulleted list with one main point: 'Difficulties of Sending Expatriates Abroad'. This point has two sub-points: 'The company must also consider the impact of the family life cycle on compensation.' and 'A program must be flexible enough to adjust to the varying needs of different employees.' In the bottom right corner of the slide, there is a small video inset showing a man in a white shirt speaking. At the bottom of the slide, there is a blue footer bar containing the NPTEL logo, the text 'NPTEL ONLINE CERTIFICATION COURSE', and the slide number '32'.


The company must also consider the impact of family life cycle on compensation. Now what to do; what will happen to the family of the expatriate when he is working abroad, should he take the family alongside along with him, should he keep the family in home country or is it divided somewhere. So, a program must be flexible enough to adjust to the varying needs of different employees. So, some of them may like to shift the family and the size of the family may also be different. Some may have their parents living with them, some may have the children with them some may have all of them living with them. So, that can be that can add another level of complexity to the package.



(Refer Slide Time: 23:53)

Expatriates

- **Difficulties of Sending Expatriates Abroad**

4. Family discord
 - In this age of two-career families, an international assignment means that a spouse could have to suspend a stateside career.
 - Thus, many employees are reluctant to move abroad.
 - Others who accept transfers grow frustrated as they find that their spouses cannot get jobs or even work permits abroad.
 - Unsuccessful family adjustment is the single most important reason for expatriate dissatisfaction compelling an early return home.





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So, in this age of two career families, an international assignment means that a spouse could have to spend to suspend a state side carrier. Thus many employees are reluctant to go abroad because what will happen to their spouses. Others who accept transfers grow frustrated as they find that their spouses cannot get jobs or even work permits abroad and unsuccessful family adjustment is the single most important reason for expatriate dissatisfaction compelling them to return home early.


So, this can you now you see that this can be inspite of giving lots of money and all those kind of training etc., this family discord can lead to an early return home.



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Expatriates

- **Difficulties of Sending Expatriates Abroad**

4. Family discord
 - Expatriates as well as their family members are in crisis because of culture shock and stress.
 - Having an experienced and empathetic counselor who can work with all family members in a constructive manner on confusing or negative experiences can greatly improve the chance for success.

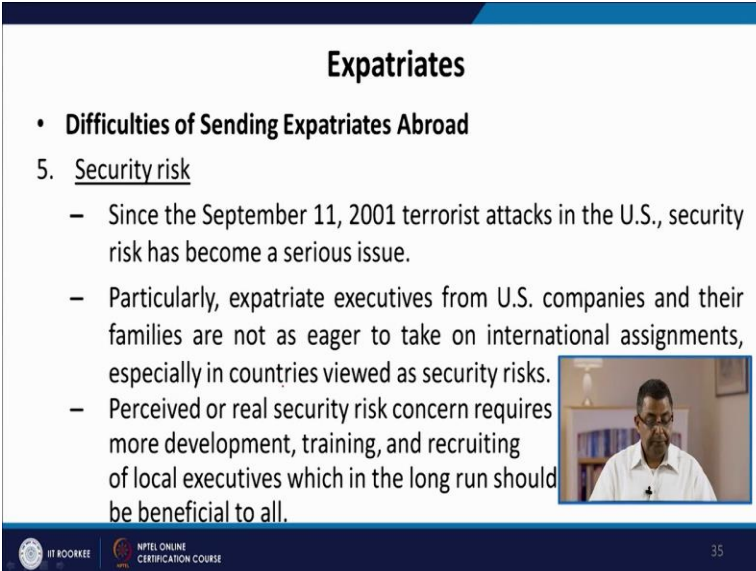




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Expatriates as well as their family members are in crisis because of cultural shock and stress. So, when the family member if they go overseas then they; they are in a crisis for sometime because of cultural shock and stress. Having an experience and empathetic counselor who can work with all family members in a constructive manner on confusing or negative experiences can greatly improve the chance of success.

So, now you also need to have a experienced and empathetic counselor who'll work with whole of the family and can try and will explain to them in a constructive manner the confusing or negative experiences that they may have in that country.

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The slide is titled "Expatriates" in bold black text. Below the title is a bulleted list: "• Difficulties of Sending Expatriates Abroad". Under this, item 5 is "5. Security risk". It contains three sub-points: "– Since the September 11, 2001 terrorist attacks in the U.S., security risk has become a serious issue.", "– Particularly, expatriate executives from U.S. companies and their families are not as eager to take on international assignments, especially in countries viewed as security risks.", and "– Perceived or real security risk concern requires more development, training, and recruiting of local executives which in the long run should be beneficial to all." To the right of the text is a small video inset showing a man in a white shirt and glasses speaking. The slide footer includes the IIT ROORKEE logo, "NPTEL ONLINE CERTIFICATION COURSE", and the number "35".

Expatriates

- **Difficulties of Sending Expatriates Abroad**
- 5. Security risk
 - Since the September 11, 2001 terrorist attacks in the U.S., security risk has become a serious issue.
 - Particularly, expatriate executives from U.S. companies and their families are not as eager to take on international assignments, especially in countries viewed as security risks.
 - Perceived or real security risk concern requires more development, training, and recruiting of local executives which in the long run should be beneficial to all.

Then there are certain security risk for expatriates, there are some security risk also. Since the September 11 2001 terrorist attack in the US, security risk has also become a serious issue. Particularly expatriate executive from US companies and their families are not as eager to take on international assignments especially in countries reviewed viewed as security risk.


Now because of this terrorist attack already so now already about 17 years have passed still the expatriate executes from the US companies they fear the life threat to their life. Perceived or real security risk concern requires more development, training and recruiting of local executive which in the long run should be beneficial to all because of this kind of risk that requires a



development of more development, training and recruiting of more local executives and which way and in such a way that is that in the long run it should be beneficial to everyone.

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Expatriates

- **The Return of the Expatriate – Repatriation**
 - Repatriation is the return of the expatriate employee from overseas.
 - Although companies are making efforts to prevent this, many returning expatriates have difficulty finding good job assignments when their foreign positions end.
 - The post-return concern that an overseas assignment can damage a career back home can discourage employees from taking a foreign position.



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Now what? How this expatriate will return? So the return of expatriate which is called as repatriation that is coming to back home. Repatriation is a return of expatriate employee from overseas. Although companies are making efforts to prevent this, so the companies are taking all kind of steps so that the repatriation do not happens. Many returning executive have difficulty in finding good enough job assignment when their foreign position ends.

So, now the problem is that when they are at a leadership position in a foreign country and when they want to come back then will they get a similar kind of similar status and similar kind of position in the home country headquarters or not? So that is another problem with the repatriation. The post return concern that an overseas assignment can damage a career back home can discourage employees from taking a foreign position.

So, because of this because what the employees will do after they come back because of this threat many of the employees they do not want to go abroad in the first place. And the difficulties when they face while returning home includes the standard of living because the

package include declines therefore because the compensation package decline therefore the standard of living it also declines.

Expatriates often face lack of appreciation for the knowledge gained overseas. Without a clear use of their skills, returned expatriate often suffer from a lack of direction and purpose.

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Expatriates

- **Difficulties upon returning home**

Standard of living often declines.

Expatriates often face a lack of appreciation for the knowledge they gained overseas.

Without a clear use for their skills, returned expatriates often suffer from a lack of direction and purpose.

New stateside assignments often do not give the repatriated employee the same responsibility, freedom, or respect that was enjoyed overseas.

Poor communications with the home office while abroad leave the returnee cut off from the internal happenings and politics of the company, limiting opportunities for career growth.

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Because there was lack of appreciation for their knowledge and skills, so when they return they also suffer from lack of direction and purpose now what to do? New state side assignment often do not give the repatriate employees the same responsibility, freedom and respect that they enjoyed overseas. So, here they were, here these expatriate were at a leaders leadership position when they come back home they may not get a suitable position.

So, they may be in a position which do not appreciate the knowledge that they have gained because of which they suffer from the lack of direction and purpose and therefore they think that they do not and they also may not have the same kind of freedom and flexibility that they have enjoyed overseas. Poor communication with the home office while abroad leaves a returnee cut off from the internal happening and politics of the company limiting opportunity for career growth.


While they were they were abroad, lots of things might have happened in the in the headquarters in the home country which they may not be aware of.

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Expatriates

- **The Return of the Expatriate – Repatriation**
 - *GMAC Relocation Services' 2008 Survey* reported a number of effective ways to reduce attrition rates. These include providing:

Chances to use international experience	A choice of positions upon return	Recognition
Repatriation career support	Improving performance evaluation	Family repatriation support




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Now this relocation services 2008 survey reported a number of effective ways to reduce attrition rates this include providing chances to use international experience, choice of positions upon return, recognition, repatriation career support, improving performance evaluation and family repatriation support. So, now what to how to go about making people more interested in going abroad and staying there and then coming back. So, these are the 6 options that can be used for this purpose.

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Expatriates

- **Generalizations about when using expatriates is positive/negative**
 - Expatriates are important whenever communication with the home country office is at a premium.
 - Expatriates are especially important in complex operating environments, or when elevated political risk requires constant monitoring.



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So generalizations about when using expatriate is positive or negative. Expatriate are important whenever communication with the home country office is at a premium. Expatriates are especially important in complex operating environment or when evaluated elevated political risk requires constant monitoring.

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Conclusion

- We provide some background on a very complex form of cultural interface: cross-cultural negotiations.
- Several strategies were discussed to assist in international bargaining situations.
- Also, the advantages and challenges of expatriation were discussed.
- We also covered the strategies to successfully implement expatriation as well as repatriation program.

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So at the end, to conclude let us see what we have done in this module. So we have provided some background on a very complex form of cultural interface that is cross cultural negotiation. Several strategies were discussed to assist in international bargaining situations. Also the advantages and challenges of expatriations were discussed. We have also covered the strategies to successfully implement expatriation as well as repatriation program.

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References

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2. Keegan, W.J. (2004) *Global Marketing Management*, Pearson Education, Inc., Seventh Edition.
3. Terpstra, V. & Sarathy, R. (2000) *International Marketing*, Thomson Learning, Inc., Eighth Edition.



And these were the three books to used to develop this module. So you can use that you can further use these book for for understanding this module. Thank you.