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THE EXPATRIATE EXPERIENCE: Mystique and mistakes

A Worldwide Projects dialogue: Edward F. Curran A rare inside glimpse of the Saudi scene – present and future – from a Bechtel executive hired to manage a successful Saudi consulting firm. International assignment: career or caper?

A veteran of overseas work offers a primer on how to survive—and even thrive—in assignments abroad. The key, he says, is a clear-eyed assessment of why you're going, who can look out for you and when to come home.

Russian Roulette, or selecting your overseas people Considering the money at stake, finding the right man at the right time often seems a matter of luck. Is there a better way to predict a successful overseas experience?

Foreign currency options: a new tool for the contractor A banker tells how the Philadelphia Stock Exchange's latest offering combines "legalized betting" with insurance to minimize the risks of wide currency swings.

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International assignment: career or caper?

By T. PETER LIMBER

Accepting assignment abroad is like doing something illicit: it is difficult the first time; you are likely to repeat it; and each time it gets easier. Then there's the unexpected culture shock on finally coming home . . .

Overseas assignment has become an important piece of the fabric of working life. And in spite of the current state of the world economy, work outre-mer is likely to continue. Consulting engineers' international work rose 17% last year, according to Engineering News-Record's redoubtable statistics. While international contractors suffered a drop for the first time in years -9% - they still garnered an impressive US\$123 billion in new overseas work for 1983. Recognizing the need to attract high quality individuals to overseas work, firms have devised liberal compensation plans and personnel policies for these people. But there are difficulties in those assignments, especially for senior executives whose international work is a long-term career, not a one-time "caper."

Allez-retour _

To executives sent abroad en masse for a specific project, the assignment can become a kind of "caper": they go overseas to serve their firm, to enjoy adventure, and usually, to receive extra financial recompense. The project is organized to accommodate them and their staff-even including housing, shopping needs, schools and recreation. Staff members are all in the same boat, and adjust more easily to an environment that is not quite so "foreign." Their sojourn abroad is more exotic, and on their infrequent visits home they assume an aura of folk hero. Consequently, their return to the home office is less painful. It is not likely that headquarters can treat casually the problem of fitting into new assignments a large number of senior staffers coming off an overseas project.

The career-minded individual on an ascending

management curve is a different matter. If the firm's overseas work is steady and not too heavy, he may have a choice between a domestic or a foreign career, or a combination of both. But if the volume abroad becomes a larger part of the firm's work, he may have to chart his career development as a series of overseas postings. The more he succeeds in these assignments, the more his work there is extended, and the more apt he is to become "our man in . . ." And with key openings in the home office few and far between, it takes strategy go work himself back into headquarters in the proper job.

Sometimes the overseas executive forgets to go home. Often the way back is tortuous, and the career casualties are many. They line the return route, like small shrines and crosses marking accident sites along a Latin American road. These casualties are not just the executive, but often his family as well. Several real-life testimonies:

- An executive and his wife, returning home after a number of years overseas: "Sure, we like being back. But if you want my honest opinion, there ought to be a special country for us who have lived abroad a long time. We were never completely accepted in the various places we lived, and now we find we don't completely fit in at home anymore."
- A vice president back at Paris headquarters after 17 years abroad: "I'd go overseas again if I could. I can't stand the bureaucracy back here. I could make my own decisions abroad, and had personal and professional identity besides. What I did best for my company overseas, I am not given the authority to do in Paris."
- Any number of ex-overseas residents: "So we stayed abroad because we were having a more interesting life and because we were saving money, and we come home to find that houses have more than doubled in price and interest rates are outrageous."

Pros and cons_

For the career executive, the advantages and disadvantages of international assignment are clear. On the positive side, he is given greater authority earlier in his career than if he had stayed at home. He is able to make more decisions on his own. He

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Doing a good job overseas is often a good way to be out of the running for headquarters opportunities. "Who could possibly replace Willie?" the home office asks.

has greater status, and he may get a vice presidency or management title, albeit of the foreign subsidiary. He is more visible to the visiting home office brass. Remuneration is higher with a foreign service premium, tax protection or exclusion, and cost-of-living, housing and school allowances. Often there are other "perks": a car, club membership, increased pension fund, perhaps a larger bonus.

On the negative side, the most common complaint is "out of sight, out of mind." Doing a good job overseas is often a good way to be out of the running for headquarters opportunities. "Who could possibly replace Willie?" the home office asks. "He is doing such a good job and having such a good time." The greater visibility one gets from headquarters senior executives often turns out to be of illusory value when the manager abroad comes home. His return may not coincide with an opening in a better job, or even in a job commensurate with his overseas experience. Or perhaps he has become so expert in the foreign field that he is not quite up to domestic par.

Coming back may also mean a loss of status and of many overseas perks, of rejoining the bureaucracy, and of having to take care when reentering the headquarters crowd maneuvering to get ahead. The "fair-haired boy" overseas may be in for some severe elbowing along the home office executive row.

Wives and children too ___

Wives and children often have a more difficult time than the executive himself coping with the overseas life, although the effect is not always immediately apparent. Anthropologist Lionel Tiger summed it up in a 1974 article for Fortune magazine: "An important consequence of . . . moving managers around is that their wives and children are deprived of the fundamental human requirement of social continuity and personal stability."

Children often have a feeling of rootlessness, especially when their father has been moved to a number of places over a period of years. Case histories are full of incidents of talented and well-trained wives deprived of their personal activities in favor of their husband's—or his company's—needs. But this is not always the rule. Indeed, being overseas has provided professional opportunities to women in fields ranging from writing, to archeology, teaching and business.

Meanwhile, back at the branch

As a larger and larger part of a firm's income is generated abroad, the problem grows of what to do with the accumulation of repatriated senior people who do not want to go overseas again. Many have returned from long assignments to find that their former jobs have been taken. These days it would be a rare company indeed whose directors would deliberately limit overseas work to better cope with the problem of repatriation. Home office executives instead have tried to fill positions abroad with staff from other countries whom they would not necessarily repatriate to headquarters when the project was done. But this does not often suit their clients. "If we wanted Englishmen, we would have hired an English company," a Saudi Arabian official told managers of a large American firm that tried this formula.

For the career executive, then, it boils down to looking after himself. I suggest three rules for him to keep in mind, for in the final analysis it is up to him more than headquarters how well he manages his return home.

Rule 1: Stay overseas so long as it contributes to your career or your financial plan, and preferably both. Do not make your stint abroad a substitute

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for growth in the company, or some other company if necessary. There is a critical moment when you should return home, based on an evaluation of your career and family needs.

Rule 2: Keep a foot in your home base, by owning property there, for example. Develop and maintain strong contacts with at least one superior in the home office whom you help and who will look after you. If you cut off your bridges, it makes returning that much more difficult.

Rule 3: Go abroad for the right reasons. Do not feel overly pressured to fill a position abroad unless it fits with your logical scheme of career develop-

Good relations with an executive at home—preferably the group leader—maintain the overseas manager's group identity and promote good timing for his eventual return.

ment. Do not make too much of the adventure of going overseas unless you accept it as a caper. The impact on your career and personal life can have great significance, so try to make the decision that is less likely to end in a rude surprise for you.

The critical moment

Recognizing the critical moment to return is difficult but certainly possible. My personal experience is that the critical moment is easy to discern retrospectively; the trick is to see it at the time it counts. Some examples illustrate this:

• A general manager for a consulting firm worked overseas for a number of years and significantly built up his company's volume of Latin American business. It was still going up, and he was tempted to stay where he was to enjoy the benefits of his labors, the prestige and the perks. Instead, he persuaded his firm's president to allow him to rejoin the home office in an even more important position to which his contribution overseas entitled him. His

timing was excellent: a year later, economic recession sent the Latin American work volume plummeting, a decline that no one was in a better position than he to anticipate.

• One gregarious couple had become the center of social activity in the foreign city in which they lived. The husband's business was going quite well, and they entertained or were entertained frequently. Soon, however, his firm's costs grew beyond its work volume, and headquarters turned the overseas work over to the local associates. Back home, the couple tried to maintain the gaiety and light-heartedness of their overseas life, but it was impossible. The husband's position could not support their prior lifestyle, nor did the social atmosphere inspire their personal lives. It took a long time before the couple settled into a new, if subdued, normalcy.

Roots and reasons __

Executives who maintain property at home while they are on assignment overseas have a number of benefits. They are usually able to carry the expense from the rent the property earns, and may receive tax benefits through depreciation. Psychologically, too, they and their families know where they will return when their overseas stay is completed. They are more apt to maintain ties with their old neighborhood or community, and their children do not have as strong a sense of rootlessness.

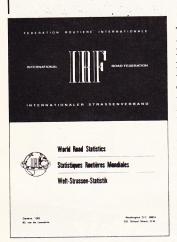
"Following the leader" is another key to maintaining roots. At home, the corporate executive tends to become assimilated into a group or team under a leader. Abroad, however, he may lose that group identity, even though his work may be an asset to the group. Good relations with an executive at home—preferably the group leader—maintain the overseas manager's group identity and promote good timing for his eventual return.

The reasons for the executive to accept a project abroad must be the right ones—for him. The needs of his group leader do not replace his own need to make a careful decision about the assignment.

For example, a firm decided to open a regional office in Rio de Janeiro, and wanted to fill the position of regional representative with a candidate who had made an extensive survey of the country for the

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CAREER OR CAPER continued

firm. The man had recommended in his study that unless the firm made certain policy changes, the chances for success in Brazil were low. The policy changes had not been made, and it was unlikely they would be. The candidate declined the post because of this, and another man was sent. That man went, stayed a year, and returned when it became obvious there was little hope for new business under the current policy. He enjoyed the sojourn, however, and has fond memories of Carnival in Rio. The assignment succeeded for him because he had accepted it as a caper.

Going overseas is not an escape hatch for serious problems; indeed, bad problems tend to intensify abroad. One man took an assignment overseas because he was angry with his superior at home over a failed promotion. Once relocated, however, he found that his family life had been disrupted and that the problem with his superior—who was relieved to have him gone—remained unsolved. When the man finally returned to headquarters, he resigned, which is probably what he should have done in the first place.

Future shock _

Career executives and their families are familiar with the "culture shock" they feel when they are transferred overseas. The manager, his wife and children go through stages of adjustment, most of which center around feelings that something is wrong with nearly everything in their new country. They usually get over it, helped by a number of things: orientation for both husband and wife arranged by the company before they go abroad, learning the language, a sympathetic and knowledgeable international department in the home office, organized women's clubs overseas and talking out problems with others who have adjusted.

Not so familiar, however, is the reverse culture shock these families feel upon coming home. "Reverse culture schlock," an experienced friend once quipped, "because all those things you complained about overseas somehow turn out to be less than perfect at home too." This passes with time. What remains, if things go right, is an accumulation of experiences that enrich the executive personally and make him a more valuable manager.