

# **The Challenges Facing Expatriate Managers Working in Foreign Countries**

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## **ABSTRACT**

*Expatriation or assignments overseas are key personnel strategies used by multinational organisations in their overseas operations to fill managerial positions. However, working in a foreign country is highly pressured, stressful and many expatriates fail. Therefore, the main purpose of this study was to discover the challenges and complexities facing expertise (expatriate) managers working in foreign countries. A quantitative approach using an online survey was conducted with 54 participants who were randomly selected from both the private and public sectors in Kurdistan. SPSS software was used to analyse the data collected. The key results revealed that most expatriates in Kurdistan claimed that the language barrier is one of the most significant factors in the workplace and may hinder their ability to communicate effectively with Kurdish employees and individuals. Simultaneously, despite having cultural differences, expatriates were able to adapt to the Kurdish business culture and cultural adjustment. Future research should consider using a qualitative method and a large sample size, in addition to identifying what foreign organisations in Kurdistan must do to reduce the likelihood of their managers failing to fulfil their duties and roles.*

**KEYWORDS:** *assignments, challenge, expatriate managers, multinational organisations.*

**JEL CLASSIFICATION:** *M1, M16*

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## **1. INTRODUCTION**

Over the last few decades, expatriate managers' positions have become a familiar trend in the majority of countries, especially expatriate managers from countries that have valuable experience and knowledge as regards conducting business internationally. Therefore, international firms increasingly send their managers to different countries in order to control their businesses and subsidiaries in the global market. However, it may well be difficult to control their international business, as managers may face many challenges during the process of international business. It should be noted that numerous individuals in various countries have distinctive cultures and ideas regarding organisational behaviour (Wu, 2008). Consequently, managers need to understand the basics of an individual's thoughts in a cross-cultural environment, given that individuals from different countries typically have different customs and ways of thinking. Moreover, living in a foreign country creates continuous and unforeseen challenges regarding expatriate managers and their ways of working. Thus, this may lead to cultural mistakes being made and they may face embarrassing situations which may make them feel uncomfortable and confused. In addition, they may not be able to make sense of other people's behaviours (Schneider and Barsoux, 2003).

In some cases, the transfer of expertise and managers may possibly be problematic for multinational companies for various reasons. Parent nation nationals are unacquainted with

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the situation in host nations and they are increasingly inclined to make incorrect decisions as a result of their lack of experience and vital information (Tharenou and Harvey, 2006; Czinkota et al., 2005). Moreover, it can be extremely expensive for businesses to send expatriates to foreign countries. As Bonache Perez and Pla-Hairdresser (2005) stated, parent nation nationals may cost an organisation considerably more than employing host nation nationals. In addition, in various cases, expertise and expatriates have issues adjusting to the new condition in the host country and therefore fail to perform their functions appropriately; a phenomenon regularly referred to as expatriate and expertise failure (Paik and Song, 2004; Czinkota et al., 2005).

### **1.1 Objective**

The main purpose of this study is to critically evaluate the challenges and complexities that expatriate managers are confronted by whilst working in foreign countries. In this research, the film *Shanghai Calling* has been used as a case study.

### **1.2 Research problem**

It is important that academic research not only highlights the advantages of foreign transfer but also the fact that there are various difficulties that have negative impacts on both the workers- expatriates and organisations. In order to avoid potential failures, it is useful to examine the pertinent issue of foreign or global transfer as well as decide what contributes to the accomplishment, success and achievement of expatriation procedures and the foreign multinational occupation of workers. No studies have been conducted in Kurdistan with regards to expatriate practices and assignments. Thus, several examples of expatriate and expertise practices in different countries are examined. It is believed that the present study can fill this gap and provide academics, organisations and transfer managers with valuable information.

## **2. LITERATURE REVIEW**

In the last few years, numerous academics have focused on and undertaken research into expatriate management, which is acknowledged as a significant problem in relation to international human resource management.

The literature is generally in agreement in identifying the significance of expatriate performance on expatriate management or universal assignments. Consequently, several scholars have considered the most common adjustment issues faced by expatriates and pursued policies and strategies in various countries as regards expatriate management based on similar issues as well as various findings. There are several factors that influence expatriates such as flexibility, extra-cultural openness, motivation and family circumstance (Arthur and Bennett, 1995). Similarly, expatriate performance decides the success of the global business.

Sarkiunaite and Rocke (2015), investigated the expatriate experience and what generates success in foreign assignments. They discovered that a complicated factor pertaining to the expatriation process is the acclimatisation of expatriates throughout the global assignment, as it has considerable influence on how successful an assignment will be, while there are also issues regarding employee satisfaction etc. The study showed that the success of the adaptation phase and the entire expatriation procedure has an impact on the personal strengths of workers, adjustment skills, abilities, experience and social life. Moreover, the expatriate may also worry a great deal about his family and how they are settling in to their new life.

Meyer et al. (2016), conducted a study titled: 'Managing expatriates: evaluating the experience of an internationalised Brazilian firm', which focused on a Brazilian telecommunication corporation working in China. Their study looked at how they prepared prior to their departure as well as the types of problems they encountered in their daily life overseas. The research discovered that inadequate preparation by expatriates prior to beginning their assignments is a significant obstacle in settling into their new job and way of life in a different country and whether they are successful at it.

Borici (2014), conducted a study entitled: 'Expatriates' problems and failure in international enterprises operating in Albania. The study examined at cases where expatriate directors and their families had failed to adapt to life in Albania and as a consequence had left their assignments prematurely. The significant difficulties identified included adjusting to the Albanian language in addition to how challenging it was for the partners of executives to find employment. Conversely, it was noted that the pre-departure training given to executives concentrated more on technical elements than on cultural challenges.

Abdullah and Jin (2011), completed a study entitled: 'Issues and trends in expatriation management'. Their results revealed the challenges that confront organisations such as the high expenses associated with expatriation; the non-return of expatriates to their homeland; managing expectations; difficulties in retaining worldwide careers; challenges concerning achieving a work-life balance and using home travel allocations to travel to other nations. Moreover, local staffs must adjust each time a new expatriate is introduced into the organisation.

According to Kartika and Lee (2014), cultural and emotional intelligence; expatriates' knowledge and experience overseas, family adaptability and support; social capital and parental interest have a positive impact on how expatriate managers adjust. There are also several issues except for issues around social and individual factors. For instance, Boyacigiller (1990), examines positive factors dependent on subsidiary features that impact a global appointment; specifically 1) independence among the subsidiaries and parent organisation; 2) the difficulty associated with establishing a subsidiary in a new country; 3) the political danger in the country where the subsidiary is situated; 4) cultural diversity among the home country and that of the subsidiary.

Moreover, the results obtained by Temple (2010), indicated that subordinates perceived all individual characteristics as significant and that all individual characteristics have been favourably linked to most achievement criteria. The most significant individual characteristic related to the skills and expertise of the leadership was the main reason for the success of expatriate directors.

In addition, the findings of Syed et al. (2014), demonstrated that local workers are usually indifferent to the nationality of their director as long as the director is capable of pushing the subsidiary forward. Nevertheless, the capacity of expatriates to adjust to the local culture and company setting is the main issue of local residents. The research also revealed that local employees encounter some challenges during this expatriation process and how organisations can improve staffs knowledge and skills.

Through a combination of all the above-stated reasons, it is worthwhile mentioning that the productivity of expatriate managers is related to their individual attributes, the cultural diversity among the parent and host country, location of the family, other factors as regards their environment in the host country, previous experience, besides work opportunities, particularly regarding motivation and compensation. If the circumstances are unappealing and unsuitable for living overseas for a determined period, then expatriate managers may possibly be susceptible to experiencing failure during their assignment. Additionally, the success of activities is somewhat dependent upon the successful administration of expatriates and is acknowledged to be one of the components of international human resource management.

## **2.1 Challenges and complexities faced by expatriate managers and a case study of Shanghai Calling**

The principal focus of this paper is on the challenges that expatriate managers face while working in foreign countries:

### **2.1.1 Culture shock and language barrier**

Culture shock is one of the significant challenges that expatriate managers may be confronted by in their new environment. Culture shock is felt more profoundly by people whose community differs greatly from the one they migrate to (Guy and Patton, 1996). It is possible that as a result of unfamiliarity with the new surroundings expatriate managers may well encounter various problems when they are exposed to a new environment and society. Therefore, they may experience anxiety, depression, isolation, confusion and frustration when they work in a new setting, in which expatriate managers may need a considerable amount of time to adapt to this new environment. Moreover, expatriate managers may face new customs or traditions which might be confusing or sometimes surprising. For example, in *Shanghai Calling* there is a situation about eating habits in restaurants. In the film, Sam goes to a restaurant to meet his colleague to talk about business issues. However, whilst he is eating and discussing matters with his colleague he is surprised when a variety of customers, people he does not know, sit down at the same table to eat. This was a real culture shock for him (Shanghai Calling, 2012).

The language barrier is also a significant issue that every multinational company should take into account, particularly when it expands into other countries that do not have the same language as the company's home language. Language is one of the main problems that expatriate managers are confronted by, because the language barrier may lead to a lack of communication between the expatriate manager, his/her employees and the local people. Language barriers have a substantial influence on business operations. Thus, expatriate managers need to know more than one language, specifically English and the language of the host country to work in international business, in an attempt to overcome the communication challenges that they will encounter in the host country. Numerous organisations have embraced English as their organisational language, which gives the expatriate manager a reason to prevail in the global field (Dickmann et al., 2008). If expatriate managers do not know the language of the host country, they may experience difficulty in daily communications. For instance, in *Shanghai Calling* Sam (an expatriate manager) has been transferred to China without any experience, training and preparation. He faces a language barrier when communicating with ordinary individuals. Hence, as well as being unfamiliar with Chinese culture, he cannot communicate with any Chinese people. Sam is unable to speak with a taxi driver and could not even speak with the housekeeper when he arrived in China (Shanghai Calling, 2012).

Assignment or transfer managers require upward communication with their home country in addition to communicating downward in everyday management to their workers in subsidiaries. Regarding their first language, workers do not experience any difficulties in interacting with their manager. Nonetheless, when dealing with local staff, several difficulties and issues might arise. In China, there is a custom or tradition that subordinates have to obey and respect managers besides regularly agreeing with them. Consequently, subordinates will not feel positive about any comments or decisions the managers make.

Mistakes can be made when subordinates misunderstand the manager. Sam cannot speak any Chinese (Mandarin). Furthermore, Mandarin is the main language of his staff who are not fluent in English. Therefore, he is unable to speak with them directly. His assistant, called Fangfang, delivered all of the commands and orders downward. Moreover, the concerns,

thoughts and recommendations of his staff cannot be delivered directly to him, further distancing Sam from the workers. Sam and his organisation appear to be isolated by Fangfang. Thus, he could barely see to what extent his administration was being portrayed and also how the employees work (Shanghai Calling, 2012).

In addition, it should be noted that communication with external organisations, such as manufacturers, suppliers and government officials, is also frequent, except in the organisation. For example, good communication and relations with suppliers may result in lower costs and quicker deliveries. Additionally, good quality communication with government officers allows bosses to build individual relationships which are extremely important to the organisation. Based on Shanghai Calling, Lin, who is Sam's rival in the film, is Chinese. In spite of the fact that Lin can communicate very well in English, Sam was absent from communication with Lin so he misunderstood what Lin was trying to say. Likewise, Sam cannot communicate with the manufacturing manager and business organisation, given that the officer can only speak Mandarin. Hence, he was unable to build individual relationship with the officer (Shanghai Calling, 2012).

### **2.1.2 Different situations, culture and cross-cultural psychology**

Working in different situations and different cultures may have a great influence on the attitude and behaviour of expatriate managers. Therefore, the attitude of expatriate managers may deteriorate when they encounter situations that they find perplexing or are unaware of in diverse cultures and may be more positive when they feel settled and comfortable in their home and work situation (Chang, 2009). Hence, if they are in harmony with their new or the host environment and situations they can easily overcome their difficulties while working and living there. Furthermore, manager's duties may change when they work in a different situation and culture. Therefore, they have a great responsibility to confront the expected challenges that their companies may face.

Moreover, cross-cultural psychology has concentrated on the individual level, because it has a significant impact on individual behaviour. Cross-cultural psychology is basically focused on understanding individual differences, challenges and complexities in the workplace which have an immediate impact on expatriate managers during the process of international business, especially when they do not have the ability to overcome their problems. Hence, it may cause them considerable anxiety. Therefore, self-confidence plays a crucial role in reducing anxiety and overcoming barriers (Xia, 2009). It is possible that as a result of facing too many challenges in their career, expatriate managers may feel confused and emotionally drained. This can be noticed in Shanghai Calling when Sam is informed by his employer that he is no longer required and that his contract is being terminated. Consequently, he has to head home whilst he comes to terms with his failure to succeed and his concerns about how 'others' will perceive him (Shanghai Calling, 2012).

### **2.1.3 Communication and teamwork**

Business communication is an inevitable activity between the expatriate manager and his workforce either in the home country or the host country. Business communication can be difficult between the staff in the working environment it becomes more complex when the manager works in a different geographical area from their company as it is case with expatriate managers (Mackenzie, 2010). Moreover, they may have communication and network problems, particularly when they may not have a good quality network to communicate with their staff in the original country. Such an example can be observed in Shanghai Calling when Sam contacts the managerial company. As the internet network is of poor quality, he faces communication problems which lead to him being cut off and unable to communicate with his staff (Shanghai Calling, 2012).

Employing and working with dishonest people is another challenge that expatriate managers may face. It may possibly be difficult for expatriate managers to find and recruit honest employees. Therefore, managers need to find appropriate people to recruit in order to work as a team, seeing as teamwork is an effective way of working together harmoniously. For instance, in the case of Shanghai Calling, Sam is confronted by a dishonest employee, his assistant, who does not inform Sam that he has a second job (Shanghai Calling, 2012).

#### **2.1.4 Ethics**

Ethical values are one of the most important aspects as regards the workplace and it is essential that staff are aware of the company's ethical values and adhere to them at all times. While managers may support ethical principles it is much more difficult to apply them in specific situations (McNeil and Pedigo, 2001). Even if they apply those ethical principles some individuals may violate them. In particular, some people from certain cultural backgrounds may conceal their real identity and might pretend to be someone else or a professional in a certain profession. For example, in Shanghai Calling someone pretends to be a lawyer working with a Chinese manager, but in reality, he is an actor. The fake lawyer attempts to deceive Sam by stealing the copyright design of a product produced by the expatriate manager's company (Shanghai Calling, 2012).

### **3. METHODOLOGY**

#### **3.1 Method**

For more understanding with regards to the research problem and purpose of this paper, a quantitative approach by way of an online survey was conducted. The descriptive research approach was employed and the methodology was based on both primary and secondary data.

#### **3.2 Participants**

For the purpose of this research, 54 participants were selected randomly from private and public institutions in the Kurdistan.

#### **3.3 Research instruments**

An online survey was conducted to gather data from the respondents. The research instruments include two parts: the first part consists of the demographic profiles of the respondents such as gender, age, qualifications, participant's experience, nationality and marital status. The second part is related to the challenges and complexities facing expatriate managers working in foreign countries: It comprises four questions pertaining to language barriers, four questions regarding culture shock, three on psychological challenges, two questions concerning communications and teamwork issues, in addition to two questions on ethics.

#### **3.4 Source of the data**

In order to achieve the objectives of this paper, two distinctive types of data were collected: The primary data was gathered by means of an online survey and the case study relating to Shanghai Calling. Secondary data was obtained via the Internet, relevant journals and books.

### 3.5 Data analysis

SPSS software was used to analyse the data collected on the difficulties facing expatriate managers working in foreign countries.

### 3.6 The study period

The study was undertaken over a four month period from September to December 2019.

## 4. RESULTS AND DISCUSSION

The research sample consisted of 54 expatriates who were all working in Kurdistan. As Table 1 illustrates, regarding the demographic profiles of the respondents, 70.4% of the respondents are male, while only 29.6% are female. The age distribution of the participants indicates that 35.2% of the respondents are between 36-40 years old, whereas only 3.7% are less than 25 years old, followed by 25.9% aged 31-35, 22.2% aged 26-30 and 13% who are aged 41-45.

**Table 1. Demographic profile of the respondents**

| Profile Variables      | Frequency | Percentage |
|------------------------|-----------|------------|
| <b>Gender:</b>         |           |            |
| Male                   | 38        | 70.4       |
| Female                 | 16        | 29.6       |
| Total                  | 54        | 100        |
| <b>Age:</b>            |           |            |
| > 25                   | 2         | 3.7        |
| 26-30                  | 12        | 22.2       |
| 31-35                  | 14        | 25.9       |
| 36-40                  | 19        | 35.2       |
| < 41-45                | 7         | 13         |
| Total                  | 54        | 100        |
| <b>Qualification</b>   |           |            |
| Diploma                | 1         | 1.9        |
| Bachelor               | 8         | 14.8       |
| Master                 | 25        | 46.3       |
| PhD                    | 20        | 37         |
| Total                  | 54        | 100        |
| <b>Work Experience</b> |           |            |
| Less than six months   | 2         | 3.7        |
| Six to twelve months   | 3         | 5.6        |
| One year to two years  | 14        | 25.9       |
| Two to five years      | 14        | 25.9       |
| Over five years        | 21        | 38.9       |
| Total                  | 54        | 100        |
| <b>Nationality</b>     |           |            |
| Indian                 | 15        | 27.8       |
| Iranian                | 9         | 16.7       |
| Turkish                | 6         | 11.1       |
| British                | 5         | 9.3        |
| Syrian                 | 5         | 9.3        |
| Americans              | 4         | 7.4        |
| Pakistani              | 2         | 3.7        |

| <b>Profile Variables</b> | <b>Frequency</b> | <b>Percentage</b> |
|--------------------------|------------------|-------------------|
| French                   | 2                | 3.7               |
| Russian                  | 1                | 1.9               |
| Danish                   | 1                | 1.9               |
| Swedish                  | 1                | 1.9               |
| Dutch                    | 1                | 1.9               |
| Italian                  | 1                | 1.9               |
| Ukrainian                | 1                | 1.9               |
| Total                    | 54               | 100               |
| <b>Marital Status</b>    |                  |                   |
| Married                  | 35               | 64.8              |
| Single                   | 19               | 35.2              |
| Total                    | 54               | 100               |

Source: Primary Data

Regarding the respondent's qualifications, it can be noted that 46.3% of the respondents have a Master's degree, 37% a PhD, 14.8% a bachelor's degree, whereas only 1.9% have a higher diploma. Regarding the expatriates experience in a foreign country, specifically Kurdistan. The results indicate that 38.9% of the respondents have over five years' experience in the country, which is the longest experience in relation to expatriation, while only 3.7% of the respondents have less than six months experience, which is the shortest period. This is followed by 25.9% who have one to two years and two to five years' experience and 5.6% who have six to twelve months experience. Regarding the respondent's nationalities, it can be stated that 27.8 % are Indian expatriates, 16.7% of them Iranian, 11.1% are Turkish, 9.3% are British and Syrian, 7.4% of the respondents are Americans, whilst 3.7% are Pakistani and French. Finally, regarding nationality, 1.9% of the respondents are Russian, Danish, Swedish, Dutch, Italian and Ukrainian. Concerning the marital status of the respondents, 64.8% are married whilst 35.2% of them are single.

With regards to Table 2, it can be seen that 63% of the respondents believe that comprehending the host country language or a universal language is important for expatriates, while only 3.7% of them disagree. Additionally, 33.3% of the respondents are neutral. Moreover, 42.6% of the respondents thought that expatriates may encounter difficulties in communicating effectively with workers, clients and other individuals, while (25.9%) disagree and 31.5% are neutral. In addition, the results also reveal that 57.4% of the respondents stated that employees are more productive when executives or managers talk to them in their native language, whereas only 5.6% disagree. It can be seen that 37% of the respondents are neutral. Furthermore, the results also discovered that 46.3% of the respondents are neutral about expatriates facing a lack of communication with the main subsidiary while working overseas. This is followed by 35.2% who agree and 18.5% who disagree. Hence, understanding the language of the host country helps expatriates to better communicate with people, both internally and externally.

An additional challenge that may face expatriates during their assignments is culture shock. As shown in Table 3, the results illustrate that 59.3% of the respondents agree with respect to understanding differences among host and home country cultures, whereas only 11.1% disagree. Likewise, 29.6% of the respondents were neutral.



**Table 2. Language barrier**

|   | Variables   | Measurement scale | Frequency | Percentage |
|---|---|-------------------|-----------|------------|
| 1 | Comprehending the host country language or universal language.                                      | Agree             | 34        | 63         |
|   |   | Neutral           | 18        | 33.3       |
|   |   | Disagree          | 2         | 3.7        |
|   |   | Total             | 54        | 100        |
| 2 | Inability to speak effectively with workers, clients and other individuals.                         | Agree             | 23        | 42.6       |
|   |   | Neutral           | 17        | 31.5       |
|   |   | Disagree          | 14        | 25.9       |
|   |   | Total             | 54        | 100        |
| 3 | Employees are more productive when executives or managers speak with them in their native language. | Agree             | 31        | 57.4       |
|   |   | Neutral           | 20        | 37         |
|   |   | Disagree          | 3         | 5.6        |
|   |   | Total             | 54        | 100        |
| 4 | Lack of communication with the main subsidiary while overseas.                                      | Agree             | 19        | 35.2       |
|   |   | Neutral           | 25        | 46.3       |
|   |   | Disagree          | 10        | 18.5       |
|   |   | Total             | 54        | 100        |

Source: Primary Data

The findings also reveal that the majority of the respondents were able to adapt to the host country's business culture and cultural adjustment; approximately 70.4%, while only 3.7% were unable to do so. Moreover, 25.9% of the respondents are neutral as regards the statement. Furthermore, the table illustrates that 35.2% of the respondents agree and 35.2% are neutral concerning unfamiliarity with new environments causing anxiety, depression, isolation, confusion and frustration. Regarding the respondents, 29.6% disagree with this particular statement. Additionally, 38.9% of the respondents disagree about the problems associated with adjusting to a new setting and the negative attitude of the local people. At the same time, 37% agree, whilst 24.1% of the respondents are neutral.

**Table 3. Culture shock**

|   | Variables   | Measurement scale | Frequency | Percentage |
|---|---|-------------------|-----------|------------|
| 1 | Comprehending differences between host and home country cultures.   | Agree             | 32        | 59.3       |
|   |   | Neutral           | 16        | 29.6       |
|   |   | Disagree          | 6         | 11.1       |
|   |   | Total             | 54        | 100        |
| 2 | Capable of adapting to the business culture and different culture of the host country.                    | Agree             | 38        | 70.4       |
|   |   | Neutral           | 14        | 25.9       |
|   |   | Disagree          | 2         | 3.7        |
|   |   | Total             | 54        | 100        |
| 3 | Unfamiliarity with the new environments causes anxiety, depression, isolation, confusion and frustration. | Agree             | 19        | 35.2       |
|   |   | Neutral           | 19        | 35.2       |
|   |   | Disagree          | 16        | 29.6       |
|   |   | Total             | 54        | 100        |
| 4 | Problems of adjusting to a new setting and negative attitude of local people.                             | Agree             | 20        | 37         |
|   |   | Neutral           | 13        | 24.1       |
|   |   | Disagree          | 21        | 38.9       |
|   |   | Total             | 54        | 100        |

Source: Primary Data

Psychological problems are another major issue that expatriates may encounter while working overseas. As Table 4 indicates, 42.6% of the respondents agree about expatriates facing anxiety and stress in the workplace, 20.4% disagree, whereas 37% are neutral. Likewise, it can be noted that 42.6% of the respondents agree and thought that there is a misunderstanding with respect to individual differences while working in foreign countries. This is followed by 33.3% who are neutral and 24.1% who disagree. Moreover, the majority of the respondents 53.7% agree that challenges and difficulties in the workplace may cause psychological issues, though only 13% disagree. Of the remainder, 33.3% of the respondents are neutral in relation to this issue.

**Table 4. Psychological issues**

|   | Variables  | Measurement scale | Frequency | Percentage |
|---|--|-------------------|-----------|------------|
| 1 | Expatriates anxiety and stress in the workplace.                             | Agree             | 23        | 42.6       |
|   |  | Neutral           | 20        | 37         |
|   |  | Disagree          | 11        | 20.4       |
|   |  | Total             | 54        | 100        |
| 2 | Misunderstanding individual differences.                                     | Agree             | 23        | 42.6       |
|   |  | Neutral           | 18        | 33.3       |
|   |  | Disagree          | 13        | 24.1       |
|   |  | Total             | 54        | 100        |
| 3 | Challenges and complexities in the workplace may cause psychological issues. | Agree             | 29        | 53.7       |
|   |  | Neutral           | 18        | 33.3       |
|   |  | Disagree          | 7         | 13         |
|   |  | Total             | 54        | 100        |

Source: Primary Data

From Table 5, it can be seen that 38.9% of the respondents are neutral about communications and network problems during their assignments in the host country. Moreover, 37% agreed that there are certain issues when they wish to contact their subsidiary in their home country. Conversely, 24.1% of the respondents believe that they do not have communication and network problems during their assignments. In addition, 38.9% are neutral as regards working with dishonest people during their work overseas, although 35.2% agree. However, as regards this particular question, the table reveals that 25.9% of the respondents disagree about working with dishonest individuals.

**Table 5. Communication and teamwork issues**

|   | Variables                           | Measurement scale | Frequency | Percentage |
|---|-------------------------------------|-------------------|-----------|------------|
| 1 | Communication and network problems. | Agree             | 20        | 37         |
|   |                                     | Neutral           | 21        | 38.9       |
|   |                                     | Disagree          | 13        | 24.1       |
|   |                                     | Total             | 54        | 100        |
| 2 | Working with dishonest people.      | Agree             | 19        | 35.2       |
|   |                                     | Neutral           | 21        | 38.9       |
|   |                                     | Disagree          | 14        | 25.9       |
|   |                                     | Total             | 54        | 100        |

Source: Primary Data

As Table 6 demonstrates 64.8% of the expatriates have a high degree of integrity and trust in the workplace, while only 5.6% disagree. Moreover, 29.6% of the respondents are neutral. The results also discovered that 37% of the respondents disagree as regards working with fake people in the workplace. Simultaneously, 31.5% of the respondents equally agree and are neutral about the statement.

**Table 6. Ethics issues**

|   | Variables   | Measurement scale | Frequency | Percentage |
|---|---|-------------------|-----------|------------|
| 1 | Having a high degree of integrity and trust in the workplace. | Agree             | 35        | 64.8       |
|   |   | Neutral           | 16        | 29.6       |
|   |   | Disagree          | 3         | 5.6        |
|   |   | Total             | 54        | 100        |
| 2 | Working with unauthorised (fake) people.                      | Agree             | 17        | 31.5       |
|   |   | Neutral           | 17        | 31.5       |
|   |   | Disagree          | 20        | 37         |
|   |   | Total             | 54        | 100        |

Source: Primary Data

While comparing the results of this paper to other research that has been conducted in different settings, it can be noticed that there are similarities and differences in the challenges and complexities facing expatriates working in foreign countries. As previously discussed in the literature review, a study conducted by Borici (2014) entitled ‘expatriates’ problems and failure in international enterprises operating in Albania, revealed the significant difficulties expatriates faced with respect to adjusting to the Albanian language. This is similar to the results obtained in this study, in which the majority of the expatriates in Kurdistan believe that the language barrier is one of the most significant factors in the workplace and with the main subsidiary while overseas, as it has a considerable effect on communication. Similarly, they may be unable to speak effectively with workers, clients and individuals in Kurdistan.

Based on the results of this study, it is also ascertained that the majority of the expatriates are able to adapt to the Kurdish business culture and cultural adjustment. This is completely different to the results obtained by Syed et al. (2014), as they determined that expatriate’s ability to adjust to the business and local culture is a significant issue for local residents.

## 5. RECOMMENDATIONS

There are several possible recommendations for multinational companies (MNCs) and expatriate managers, which might be beneficial for the future. Firstly, the process of entering a new environment and culture might be slightly stressful for expatriate managers. Therefore, to reduce this stress, multinational companies can give expatriate managers useful background information about the new culture, as it will help them to prepare for and adapt to a host country.

Language is a significant part of the individuals’ daily life in relation to international business. Consequently, multinational companies need to train their managers and employees prior to sending them on overseas assignments to a foreign country as this will assist them to overcome the language challenges. Language is crucial when living and working in a foreign country as it helps individuals to understand the people and host country’s culture, as well as permitting them to communicate and work effectively as part of a team. For example, Sam as an expatriate manager should have been trained and learnt some of the local language before moving to China as when you interact with the culture of the host countries you have to know their language (Selmer, 2006). Thus, language competence increases the ability of managers

to adapt to the social and cultural factors and overcome the communication challenges they will encounter with people in the host country.

In addition, working in a new environment and culture might be difficult for expatriate managers at the beginning of their work. Hence, it may be better for expatriate managers to be prepared and adapt their behaviour with their new surroundings and culture so that they can overcome the challenges they face while working in a new situation.

Another recommendation is that expatriate managers focus on being optimistic and make an effort to contact and interact with optimistic and experienced individuals in order to get advice and support from them. Additionally, expatriate managers need to minimise any pessimistic mood they experience as it may increase personal stress by boosting their self-confidence. Furthermore, as a result of the distance between multinational companies and expatriate managers from the host country, MNCs need to provide a high quality network to assist communication between their employees and managers abroad because communication is vital for management and staffs (Selmer, 2006).

Finally, expatriate managers need to apply their ethical values in the host country. However, it is essential that they do not disregard the ethics of the society that they live in so as to neither deceive the local people nor be deceived by them and furthermore, to ensure that they do not provoke them in any way.

## **6. CONCLUSION AND FUTURE RESEARCH**

In conclusion, this paper has critically evaluated the challenges facing expatriate managers working in foreign countries; the film *Shanghai Calling* was used as a case study to explore the challenges. A quantitative approach was conducted via a questionnaire-based online survey comprising a sample size of 54 respondents in Kurdistan and the data analysed by means of SPSS software. The main results revealed that the majority of the expatriates in Kurdistan believe that language is one of the main factors that may lead to a lack of communication in the workplace and also an inability to speak effectively with workers and individuals in Kurdistan. Similarly, the study also demonstrates that if expatriate managers are ill-prepared for assignments, then there is a chance that they will feel unsettled and experience anxiety, frustration, isolation etc and most likely experience failure. Nevertheless, despite experiencing language barriers and cultural differences, expatriates were able to adapt to the Kurdish business culture and adjust culturally.

Having performed this research and evaluated the feedback, several recommendations have been proposed. It may well be beneficial for MNCs to give expatriate managers useful background information before moving to the host country. MNCs need to prepare and train their employees and managers to overcome the language barrier prior to sending them to a foreign country. It could be argued that expatriate managers need to adapt their behaviour to fit into a new environment as this can help them to overcome any obstacles while working in a new location. Therefore, these suggestions may assist expatriate managers to overcome the challenges and complexities that they encounter when working abroad.

Based on the results of this study, qualitative data will be proposed in order to better understand expatriates working in foreign countries. It is also proposed that future research on the phenomenon of expatriate failure in overseas firms in Kurdistan must consider a greater number of institutions and firms. Future researches may also examine the actions that foreign companies in Kurdistan must take with the intention of reducing the likelihood of their managers failing to fulfil their duties and responsibilities. By implementing these recommendations, multi-national companies will equip expatriate managers with the skills and confidence necessary to work and settle overseas and moreover, reduce the chances of failure.

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