ASIA PACIFIC

Attracting Expats to Asia

A recent survey released by Korn/Ferry International focusing on perceptions about career options amidst the current market volatility showed that executives worldwide overwhelmingly favor developing regions over more mature economies such as the United States, Europe and Japan. In fact, a full sixty-four percent feel that Brazil, Russia, India and China (the BRIC nations) offer the best job opportunities today. A couple years back, a poll of executive recruiters worldwide showed that China already was among the easiest countries to attract foreign executives to work, while the most difficult places to attract expatriates were the non-Gulf Middle East, Africa, Central and Eastern Europe, and South America.

From a senior-level executive recruitment perspective, there are, in effect, two types of "emerging" markets today: 1. markets like the BRIC nations which are deemed to be "career advancing" because they pose unique challenges to even the most seasoned of professionals who are looking for ways to catapult themselves to the next level; and 2. markets such as Vietnam, which are seen as being somewhat less appealing even in rocky times by executives with family and other obligations, for whom the overall up-side might not be as readily apparent as it is to younger and perhaps more adventurous people.

The allure of Asia's emerging markets in particular to some of the world's most respected business leaders has been enhanced by the huge publicity of big moves like the relocation of IBM vice president and chief procurement officer, John Paterson, who relocated from New York to Shenzhen, China, in 2006; or announcements of companies like Cisco Systems saying it would deploy 20 percent of its top executives to India. (In this case, John Chambers, Cisco's CEO appointed Win Elfrink, Cisco's Chief Globalization Officer and one of his direct reports, to lead the effort). This trend reflects how some of the most forward-thinking companies have dealt with tapping into the Asian market by appointing heavyweight "global" executives to Asia-based "corporate officer" roles – i.e., roles that are one, possibly two, levels removed from the CEO, and designed to drive the company's strategy, innovation, and global business units from Asia not only to transform growth in Asia – but also deliver global growth *from* Asia.

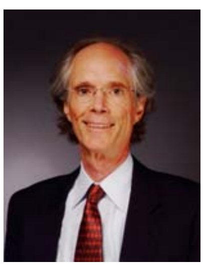
Indeed, while it is true that high-growth, emerging markets often offer the greatest opportunities for expatriates, they can also come with the most risk, since foreign executives may struggle to succeed in cultures that are perceived to be overly homogenous or insular. In Asia for example, the most difficult places for expatriates to succeed are in North Asia (especially China, Japan and South Korea), whereas places like Singapore are deemed relatively easy. The most common reasons for expatriate failures are: a lack of fit with the local country's culture, family or personal issues and not enough direction or goal setting.

Global companies must find creative solutions to nurturing expatriates' success in these more challenging environments. They must also get better at planning for their re-assimilation when they finish their assignments and return home. Many expatriates leave a post within a year because they feel the overseas assignments actually hurt rather than helped their careers.

Minimizing the frequency of such failure or dissatisfaction is important, since the reality is that executives with international experience are highly desirable in today's "flat" world and especially in Asia, where there simply are not enough internationally minded, innovative executives to deliver on its promise.

As a result, it has been common practice in recent years for multinationals to send high-potential managers to Asia in "development roles," after which they would be prepared, theoretically, to assume more senior positions back at corporate headquarters in the U.S. or Europe and to share their understanding of the diverse Asian business landscape if they so choose. The mean ideal length for an expatriate assignment is approximately two-and-a-half years, though we find in Asia that executives who make it past that mark often choose to stay rather than to return to the more advanced markets, not only because of the overall lifestyle but also for the variety, pace of change and ability to innovate and have new experiences.

Today's leaders have to be globally aware and understand a broad range of international markets, economies and cultures. Expatriate assignments in emerging markets can be extremely beneficial for developing leaders and providing solutions for organizations undergoing significant growth or change – but expatriates are clearly not a substitute for local talent. The key for employers is to maintain an appropriate balance between foreign and local talent by understanding when, where and how expatriates can best help the business, and to support them along the way. With the fast-changing times and increasing willingness amongst executives to go abroad, there is a chance to create "win-win" scenarios for employees and employers alike through carefully planned and well-executed placements of foreigners exploring new horizons.



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About Korn/Ferry International Asia Pacific

Korn/Ferry International, with more than 80 offices in 39 countries, is a premier global provider of talent management solutions. Korn/Ferry was the first major U.S. executive search firm to operate in Asia Pacific when it opened its doors in Tokyo in 1973. Today it has 17 offices in key business centers throughout the region, including: Auckland, Bangalore, Bangkok, Beijing, Guangzhou, Hong Kong, Jakarta, Kuala Lumpur, Melbourne, Mumbai, New Delhi, Seoul, Shanghai, Singapore, Sydney, Tokyo and Wellington.

Based in Los Angeles, the firm delivers an array of solutions that help clients to identify, deploy, develop, retain and reward their talent. For more information on the Korn/Ferry International family of companies, visit www.kornferryasia.com.