

Evaluating Expatriate Program Effectiveness

Cornelius N. Grove, Ed.D.

GROVEWELL LLC

How can a corporation determine, over the long run, whether the effort and expense it puts out to properly train and manage its expatriates is paying off in increased effectiveness and productivity? Here's a useful -- and easy to use -- way of approaching this important task.

Two Program Evaluation Hurdles

Two major hurdles face those who intend to evaluate the effectiveness of any training program.

QUANTIFYING RESULTS: The first hurdle is that management often requests that the program's effectiveness be determined in dollar-and-cents terms: the program costs so many dollars but yields benefits or savings worth so many dollars.

Much of what has been written about the benefits of training pertains to situations in which the trainees are doing repetitive tasks that can be quantified easily. In such cases it is possible (though not necessarily simple) to quantify training benefits in monetary terms.

When professionals and "knowledge workers" are program recipients, however, determining the impact of training in monetary terms simply is not practical. Even leading authorities in the field back off when confronted with this challenge. As will be shown below, however, it is possible to quantify the impact of training in non-monetary terms.

COMPARING GROUPS: The second hurdle is that no evaluation of a training program's impact is convincing unless it compares the performance of program participants with that of people in similar circumstances who had either a different training program or no training at all. But most evaluation efforts encounter difficulties in obtaining appropriate data from groups comparable to the present program participants.

Barriers to the gathering of such data often include confidentiality requirements, problems in the timing of data-collection efforts, and difficulty in contacting previous participants. But most corporations and other institutions do have data that are readily available and can enable the performance of present program participants to be compared with that of nonparticipants in otherwise similar circumstances.

Assumptions About Program Evaluation That Must Be Given Up

The plan and formula to be proposed below require one to give up two common assumptions about program evaluation:

1. that evaluations are conducted at the end of the training, and
2. that evaluations focus on the performance of individuals.

END-OF-TRAINING EVALUATIONS: There are two reasons why the plan suggested below does not require an evaluation to be conducted at the end of the training program.

First, any end-of-program evaluation has low validity. It is not possible to determine the long-term impact of a training effort by simply asking questions of participants just after the training has been completed. One may ask questions at this time but the answers should not figure heavily in the determination of program quality.

Second, a good expatriate program is not a one-shot training effort but an on-going series of support and orientation activities that continue even after members of the target group have returned to their home office from abroad. The program is not complete at the time the expatriate travels to the host country; it is not complete, either, during the first few months after he or she arrives back home.

INDIVIDUAL EVALUATIONS: There are two reasons why the following plan does not focus on the performance of individuals.

The principal reason concerns the need to quantify the evaluation of the program's impact. Quantifying the performance of professionals and knowledge workers is very difficult, but it becomes easier if they are treated in groups instead of as individuals. Expatriate training and management programs often are directed at groups. Individuals who were dealt with separately can be grouped artificially if they did not participate simultaneously in the program.

A minor reason concerns the possible need for confidentiality and the possible difficulty of contacting individuals whose past performance is being assessed. The plan recommended below does not require direct contact with individuals at any point; it requires that information about individuals, who may remain unidentified, be made available.

A Formula for Quantifying Expatriate Program Effectiveness

The following plan and formula were largely derived from the work of Jac Fitz-enz.¹ Fitz-enz did not foresee the application of his ideas to the evaluation of programs for expatriates.

EXPRESSING QUALITY BY THE NUMBERS: The key to this plan is finding a way to think *quantitatively* about the *quality* of professionals. The secret is to use group-related averages and percentages.

Most businesses use and maintain records of job performance ratings for all employees; these are expressed quantitatively. Also on record is information regarding whether expatriates

¹ Jac Fitz-enz, *How to Measure Human Resources Management*, McGraw-Hill, 1984. See especially the section entitled "Quantifying the Qualitative" in Chapter 6, which is entitled "Do You Want Speed or Quality?"

remained for their full overseas assignment and whether they were promoted or received recognition for outstanding performance while abroad (or perhaps soon after returning home).

If you treat the expatriates in groups, then these items of information can be expressed numerically. For example: The top performance evaluation figure (often "5") can be equated to 100%, after which the average of the evaluations for all group members can be calculated and expressed in percentage terms. The percentage of the group remaining for the full tour abroad can be calculated. The percentage of the group receiving a promotion or positive recognition can be calculated as well.

THE FORMULA: The formula for quantifying expatriate quality is...

$$Q = \frac{P + R + S}{N}$$

- where **Q** = quality of a group of professional expatriates;
P = average of performance evaluations in percentage terms;
R = percentage receiving promotion or positive recognition;
S = stability in terms of percentage completing full term abroad;
N = number of indicators used (in this case, 3)

AN EXAMPLE: Suppose you had a group of 50 professionals who received the same program of expatriate orientation and support (either separately or together). While these people continue through their assignment abroad, you could gather information about them such as the following. Assume that...

- The average of all their performance evaluations is 4 (on a 5-point scale), which you convert to 80%.
- Promotion or positive recognition is received by 10 of them, which you convert to 20%.
- Five of them return home before completing their assignment abroad; 45 complete or are completing their assignments, which you convert to 90%.

With these percentage figures in hand, the calculation is...

$$Q = \frac{80 + 20 + 90}{3} = 63.3$$

Of course, 63.3 means nothing by itself. It is useful only if you contrast it with a figure derived in identical fashion for a group (of any size) that had either an alternative program or no program at all.

USING COMPARISON GROUPS: The beauty of this method is that personnel administrators can make the same categories of data available (if necessary, anonymously) for previous groups. The only requirement is that the data for a comparison group must represent the same point in

time during its members' sojourn abroad. In other words, if you are evaluating the current program group after nine months abroad, the data you gather about any previous group also must represent the status of its members at about the nine-month point.

A FURTHER EXAMPLE: Let's assume you have information regarding a previous group of 30. The average of that group's evaluations is 3.5 (70%), three of them received promotions or recognition (10%), and 25 of them (83%) completed or are still completing their assignments.

$$Q = \frac{70 + 10 + 83}{3} = 54.3$$

Obviously, 63.3 is higher than 54.3, which suggests that training made a difference.

Let's admit that no one can be absolutely certain that training accounts for all this difference because other factors – e.g., supervisor bias, civil unrest, the potential list is endless! – might be involved. But you can be alert for such factors and can take them into account when making final evaluative judgments.

An Improved Formula for Quantifying Expatriate Program Effectiveness

This basic formula can be improved. For example, you could add a fourth indicator such as the percentage of the group expressing personal dissatisfaction with their overseas assignment. A thoughtful decision would need to be made about what types of complaints, and what level of dissatisfaction, constitute an "expression of personal dissatisfaction."

Because the dissatisfaction indicator is negative while the other three are positive, you would incorporate a simple subtraction routine into the formula: (100 - D), where D is the percentage of dissatisfied group members. Because D is a fourth factor, the divisor must be changed to 4.

The improved formula appears as...

$$Q = \frac{P + R + S + (100 - D)}{4}$$



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