

THE FACTORS INFLUENCING REPATRIATION KNOWLEDGE TRANSFER PROCESS– A REVIEW

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ABSTRACT

The IT industry in India is one of the major contributors to the national economy by way of contribution to GDP as well as foreign remittance. The employees find the field attractive because of the salary, perks, assignments abroad and career growth. The companies assign the employees to various onsite projects based on the demand, domain knowledge, skill set and experience of the employees. The process of expatriation and repatriation are equally challenging for both the employee and the HR manager, because of the complexity of tasks involved. This paper focuses on the concept of repatriation, with special reference to knowledge sharing. When the employees return to his host country/company, after his foreign assignment, he has to face a lot of changes in terms of work culture, technology employed, pay parity, cultural differences and knowledge platform. The repatriation process of the company should be conducive enough to accommodate the employee and help him in effective sharing of the knowledge acquired. An attempt has been made here to analyse the factors influencing the knowledge transfer of a repatriate, by a comprehensive review of literature.

KEYWORDS: Repatriate, Knowledge Transfer, India, Barriers, IT

INTRODUCTION

India is a hub for the IT projects world due to the supporting ecosystem. Availability of trained work force with domain specific capabilities, willingness to work in global locations, adaptability and experience has made the Indian work-force an ideal choice for global locations. The companies give global assignments to the employees based on the demand and the calibre of the employees. The expatriation process is carried out on a regular basis comprising of the technical, legal and orientation issues. At the same time, there is a need to analyse whether the companies have an equally fair policy for repatriation of the employees. The repatriates are a unique pool of resources for an MNC, who possess knowledge on the cultural context of the global locations, the specific market and customers, opportunities available abroad for expansion of their company. (Downes & Thomas, 1999). It is imperative for a MNC to make use of this strategic human capital for its further development. If the repatriate is not satisfied, post assignment, he may leave the company with his added skill set and this is a huge loss to the company. The companies rely on these experienced expatriates for their technical capability and cultural competence (Joinson, 1998). Hence, the companies should provide a compatible and congenial environment for these talents when they return to the company after their assignments.

Need for the Study

Repatriation, otherwise called as cross-cultural re-entry refers to the transition from the foreign country back into the home country and organization. This reentry into their home country is equally challenging as the initial cross cultural entry into the host country. They face a newer environment both at work and at family. Interacting and managing these changes in the work and non work environments is not an easy job for them. (Black, Gregersen, & Mendenhall, 1992) There is a misconceived notion that the reentry is supposed to be easier as this is, after all, their home country. Even the companies do not emphasize much on a repatriation policy. Existing literature and experiences highlight that reentry is not as easy as it appears to be. Murray, 1973 refers to this as a reverse or re-entry culture shock for the repatriate. This shock is sometimes so intense that the repatriate is helpless in his own company and finds it an unsuitable place. Lack of support and reorientation to the expatriates leads to attrition. There is no guarantee that the repatriate's expectations in terms of salary, support, work culture, recognition of his global experience, knowledge transfer and protection are completely met. India, which is a major supplier of global IT staff across the world, has the same issue. Hence there is a need to review the existing literature on this domain, for a comprehensive view on the repatriation policy on knowledge sharing and orientation.

Knowledge Transfer

Knowledge transfer (KT) refers to mutually beneficial collaborations for a vast range of activities. We find companies spending considerable amount of time and cost on the development of effective systems for the transfer and reuse of existing knowledge. Money and time are spent on developing effective systems, the purpose of which is to improve management of knowledge resources by handling the transfer and reuse of existing knowledge (Watson & Hewett, 2006). This is a knowledge driven era where the entire business is driven by the right use of required knowledge. Technologies like Big data, machine learning and AI have different implications and it is necessary. As Persson (2006) opines the knowledge transfer, in an organization, can take any direction and take place at any level within the organization and leads to "economies of knowledge" (cost advantages related to scale of operation based on knowledge here).

Repatriate Knowledge Transfer

Multinational companies now work across boundaryless spaces. They have the opportunity for acquiring and utilizing knowledge across countries by virtue of their global operations. To reap the maximum benefit out of this knowledge, there should be provisions to transfer the knowledge generated in any of their units to all other units (Sanchez Vidal et al, 2016). Repatriate Knowledge Transfer (RKT) is associated with the transfer and application of the acquired domain knowledge by the repatriates to the home company employees.

The disseminative capacity of the repatriate refers to the abilities and motivation of the repatriate to share the acquired knowledge. The bottom up approach of knowledge transfer from the subsidiary to the headquarters is known as reverse knowledge transfer. Further research on this by the same authors depict that repatriates' disseminative capacity is positively

associated with reverse knowledge transfer. The knowledge acquired by the repatriates during the expatriation and the firm's international assignments policy serve as effective driver's for this process of KT.

Objectives

- To understand the challenges in the process of repatriation through a comprehensive review of literature
- To identify the factors influencing the process of knowledge transfer.

REVIEW OF LITERATURE

The knowledge transfer by repatriates can be carried out only through organizational support. This requires a strong repatriation policy in place in the organization. A holistic repatriation policy with an eye for knowledge transfer alone can accomplish this goal. Some reviews on the general repatriation policy are discussed here.

Jassawalla et al (2004), had conducted their research with 11 former expatriate managers and had studied the challenges and suggested remedies for successful repatriation along with their model. Their model for effective repatriation consists of orientation prior to departure, support during their stay and after they return. For better results for the company, they suggest frequent and high-quality communication while managers are aboard, a "sponsor" to act as liaison while they are away to help them assimilate when they return, comprehensive HR support, and the availability of positions that make use of their new skills. The implied outcomes of this for the company include improved retention and better return on Investment. The employee in turn has lower uncertainty and anxiety, greater satisfaction and greater sense of belonging with the company.

The companies usually have a strong expatriation policy because of the legal compliance in such assignments, with respect to the host country. When it comes to repatriation, it is viewed just as a global staff returning to his home country/company, and no special effort is made for their orientation or adjustments. Dunlap- Hinkler and Parente (2004), in their research, had revealed that 76 % of the organizations had no formalized repatriation policies, though expatriation policies were generally very strong (Stahl & Cerdin, 2004). The reasons behind ineffective or absence of repatriation policy according to them is three fold: lack of expertise, costs associated with the process, false assumptions which ignore the problems expatriates may experience during expatriation and repatriation. Harvey (1989)

Andreason & Kinneer (2005) had extensively researched on this topic as there is a general opinion among the firms that repatriation is not a serious process which needs special efforts on their side. Despite the growing level of dissatisfaction amidst the repatriates, companies continue with their nonchalance, leading to high attrition. Their research describes a theoretical framework, combining adjustment and individual control theories, which can be used to analyze and integrate recent research. Recommendations are also made for managing reintegration into the home culture and organization.

Andries J du Plessis and Bob Beaver (2008) in their research had differentiated the responsibilities of HR manager in case of a domestic company and a global company. The fast paced growth of international trade had made international assignments inevitable. When the repatriates enter the company, a plethora of issues like remuneration, contracts and agreements, cultural variation, knowledge transfer awaits him. It is the duty of the HR manager to manage the global staff effectively

and ensure there is effective knowledge transfer and smooth transition. Keeping this in mind, here the authors have proposed a transition model from domestic to international HR management. There are recommendations for HR manager which involves cultural research, the integration of HR systems, and the functions of selection, training, performance management and remuneration. Global staff play an important role in the expansion of business and also the new knowledge they bring to the company. They have to be nurtured and retained effectively for better retention and development of the company.

The next part of this section comprises of reviews on the actual knowledge transfer process in the global assignments.

Many companies view their global work force as vital human capital investments. Repatriates have an indispensable role in organisational learning. They are the first hand sources of knowledge on global technology, cultural differences, customer preferences and global market. They could act as catalysts of the knowledge transfer process between the host country to head quarters and vice versa(Caligiuri & Lazarova, 2000) The companies should devise strategic policies that would benefit both the repatriates and the company as the International knowledge is a competitive advantage to both the parties involved.

Crocitto, Sullivan and Carraher (2005) in their research had discussed the effects of mentoring for expatriates which increases the career outcomes and helps in better knowledge transfer. A framework for examination of expatriate careers is proposed based on Hall and Chandler's (2004) conceptualization of multiple learning cycles. The expatriate process consisting of pre departure, onsite and repatriation is similar to a learning cycle. If multiple mentors are available in various locations, the learning process would be very successful. The repatriates are a reservoir of embedded and tacit knowledge. By aiding the smooth knowledge country, the company can shorten the learning curve of operations in the host country thus aiding faster global expansion. When the repatriates are not tapped for this quintessential knowledge across borders, it creates an unfortunate situation and loss of intellectual capital. This research had emphasised mentoring as a facilitative factor and lack of proper knowledge transfer channel as an inhibitive factor for effective repatriation strategy. Though the need for mentoring in international career is obvious, very few companies practise it. The role of the mentor is holistic. It starts from the global assignment till the completion of the repatriation process. When the expatriate returns to his home country, the mentor helps in areas such as home country readjustment, work role adjustments and culture adjustments.

Gani and Hyder (2008) had researched on the use of HRD interventions relating to training and development for effective readjustment of international managers on repatriation. The data were collected through a field survey conducted on repatriation experience of international managers from more than five countries, who are working in Singapore. The repatriation programme should have training on its own with specific duration, delivery mode and resource persons for training. The findings provide a good learning for HR managers of Multi National Enterprise (MNEs). They also help in developing suitable career development programmes for the employees on international assignment.

Developing a shared field for knowledge transfer, Timing of the knowledge transfer, criticality of the shared knowledge, influencing power of the repatriate, recontextualising the knowledge by the receiver and the shared background of sender and receiver are important aspects related to the repatriate knowledge transfer. (Oddou et al, 2009)

Devaluing of repatriate experience is a common shortcoming faced by the repatriates. When the repatriate is given a position that does not deploy his newly gained knowledge, he feels at a loss and is naturally inhibitive when it comes to

knowledge sharing. The degrading of the repatriate's international experience is related with negative career progression and over all, this is not healthy for the company as well as the repatriate. (Rahim, 2010)

The knowledge sharing behaviour of repatriates and the knowledge governance mechanisms are mediated by knowledge sharing motivations and knowledge sharing opportunities. Researchers conducted on these areas have indicated the inconsistent relationships among KGMs, motivations to share knowledge and knowledge sharing behaviour. Chiu & Lu (2013) had surveyed 140 repatriates from 66 multinational companies. The companies are distributed over five different geographic locations. The research model had been assessed by Structural equation modelling. The knowledge governance mechanisms operate in formal and informal ways and they both have significant influence on knowledge sharing motivation and opportunity. It is to borne in mind that RKT is one of the valuable knowledge delivery sources for any MNC. At the same time, intellectual assets transfer of this kind cannot be forced but can be encouraged by effective organizational design and culture. The formal and informal KGMs discussed in their study supports the knowledge sharing behavior of repatriates.

Minbaeva et al (2014) who had originally contributed to the conceptualization of absorptive capacity for multinational corporation (MNC) in their first paper had further augmented their research. The importance of the interaction between employees' abilities and their motivations influenced the absorptive capacity. In their present research, they have revisited the paper and analyzed how their concepts had been interpreted in the other researches. Based on this, they have suggested more theoretical and empirical work which should focus on greater contextualization of both the concept and the development of absorptive capacity, multi-level research logic and understanding the dynamic models of knowledge transfer. The directions given in this research serve as a ready reckoner for any researcher involved in the RKT domain.

Kang & Hau (2014) had highlighted the importance of the social capital and social network theories in RKT process. 331 respondents were included in this study through hierarchical linear modelling to verify this multi-level research. The research model of this study brings out the multi level antecedents of RLT from the recipient point of view. The study examines the impact of a recipient's social capital at an individual level and the effect of the direct relationships between a knowledge source and a recipient at a dyadic level. It has also explored the moderating influence of a recipient's social capital on the power of the dyadic relationships. The study has interesting findings, which includes that the recipient's trust in his/her colleagues positively influences knowledge transfer process, and company tenure has a negative impact. At a dyadic level, the perceived expertise of a source and the strength of ties have a positive effect on knowledge transfer. Also, a recipient's network centrality moderates the effects of dyadic relationships on knowledge transfer.

Burmeister et al (2015) had conducted a qualitative study among 29 German and American repatriates, which had resulted in adding a process perspective to the literature on repatriate knowledge transfer (RKT). Semi structured interviews were conducted among them and the selection criteria was that the duration of the international experience should be at least six months which would enable better learning and knowledge acquisition. The study had investigated the applicability of extant knowledge transfer process models and explains the micro processes during RKT. The study had proposed a RKT process model depicting the roles and activities in four transfer phases namely, assessment, initiation, execution and evaluation. This study is of eminent value to the managers, as it helps them to gain an insight on the needed organisational eco system

and the support needed for different actors at the proposed phases.

Zhang and Jiang (2015) had researched on the repatriate knowledge sharing from the recipient's perspective. They believed that the recipient's characteristics had an influence on the knowledge sharer's willingness to share. Hypotheses were set based on this fact. The recipient's competence, learning attitude and personal relationship with knowledge sharer had a significant influence on knowledge sharers' willingness to share. The methodology included a scenario experimental study and a field survey study to test the hypotheses. While there are many researches available on the knowledge sharing process and behaviour, the research on recipient's characteristics are limited. This study is unique of its kind as it has focussed on the influence of the knowledge recipient's characteristics on the sharer's willingness. The results showed that recipients' characteristics take different roles in different situations in influencing the knowledge sharers' motivation to share. In the case of responsive knowledge sharing, the recipient's learning attitude and personal relationship with the knowledge sharer affected the sharer's willingness to share. In proactive knowledge sharing, the recipient's professional ability and personal relationship with the sharer significantly affected the sharer's willingness to share. It is imperative that organisations should provide a conducive environment for learning and interaction by encouraging employees to seek and learn from their colleagues, as and when needed. Composition of team members, encouraging members to develop their own competency and building trust among them are the initiatives that are recommended for organisations.

Burmeister & Deller (2016) had adopted a mixed-methods design to identify organizational support practices that facilitate repatriate knowledge transfer (RKT). The first study had focused on the kind of organizational support provided by organizations to facilitate RKT. The second study was on the specific organizational support practices before, during, and after international assignments that facilitate RKT. The study 1 had 1, 134 repatriates who responded to an online questionnaire. Based on this, the organizational support that their organizations provided to facilitate RKT was evaluated. In study 2, 22 repatriates and human resource managers were interviewed to assess to which extent the use of seven high-performance work practices – selection and staffing, training, career development, job design, performance appraisal, compensation and rewards, and internal communication – before, during, and after international assignments facilitated RKT. The interviewees demonstrated how these practices were implemented in their organizations. Study 1 revealed that administrative support is more prevalent and strategic and knowledge transfer-related support is in paucity. Study 2 showed that training, career development, job design, expectation management, non-financial rewards, and targeted internal communication mechanisms were viewed as highly relevant for RKT, whereas selection, staffing and financial compensation were not seen as relevant for the facilitation of RKT by the repatriates and HR practitioners.

Chirawattanakij & Ractham, (2016) had investigated the recipients' knowledge adoption behaviour based on four personal characteristics, namely, shared language between a knowledge sender and a recipient, the recipient's prior knowledge, the recipient's enjoyment in adopting knowledge, and the recipient's self-confidence. The role of each characteristic in the knowledge adoption process had been tested and nine models had been developed. The study had categorised the factors as moderators and mutual predictors. Shared language between a knowledge sender and a recipient and the recipient's self-confidence to adopt new knowledge directly enhances the individual's likelihood to start learning, and so they perform better as mutual predictors, while prior knowledge and enjoyment are the moderators.

Challenges of Repatriation Knowledge Sharing

The repatriate returns to his home country with myriad expectations and experiences. He looks in for a supportive environment which helps in smooth relocation. When the MNC does not have a strong repatriate policy in place, the employee is at an immediate loss and disappointment and eventually the company fails to retain the talent. The reviews help us in obtaining the following picture, with respect to the expectation of the employee, post assignment.

Expectations from the Repatriate, in General

- A smooth relocation policy from the company side.(both work and non work side)
- Pay parity in view of his new assignment, experience and accomplishment.
- Recognition of his position and accomplishments.

Expectation with Respect to Knowledge Transfer

- Avenues to share his global knowledge, expertise and experience with the company.
- Knowledge transfer ecosystem for the betterment of his career and the development of the company.
- Orientation with respect to the changes in the company during his absence.
- New assignments based on his domain expertise.
- Mentorship programme throughout the cycle.
- Managers and team members who have the shared background to make use of new knowledge.

It is also clear, that majority of the MNCs are unaware of these specific needs of the repatriate. The companies should work on a strong repatriation policy, if they want to retain their global presence. The HR managers should be trained extensively and intensively on meeting the needs of the global workforce right from expatriation till repatriation. Sponsors could be identified for mentorship during global assignments. The technological updations require constant learning and an agile environment to keep pace with the changes. Effective knowledge transfer programs should be in place which would help in retaining the tacit knowledge from the global staff. The cost associated with these programmes should be incorporated in the budget for effective implementation.

CONCLUSIONS

The Multinational companies have a very clear strategy about the business growth and expansion. While a company goes headstrong for growth, it should ensure that its workforce is well equipped for the transition. When speaking of the repatriation policy, the HR managers have the huge responsibility of coming up with an effective strategy for the process. The strategy for each company would be unique based on its complexity, premises and operations. Not having an effective repatriation policy is detrimental to the company as well as the employees. The reviews have given an overview on the challenges faced by HR managers, employees and the company during the process. Knowledge transfer is a unique intellectual investment which every MNC should focus and develop.

The repatriate knowledge transfer has to be a continuous function of the MNC with a standard operating procedure. As the dissemination capacity of the repatriate and absorptive capacity of the employees may vary, the process had to be carried out with mutual interest. The reviews convey that repatriate policy, organisational support, interest of the repatriate to effectively carry out knowledge transfer, influencing power of repatriate, effective mentoring are factors which facilitate knowledge transfer. The absence of supportive environment in the company, less challenging jobs and assignments post repatriation, completely changed working environments, low interest shown towards learning and adopting new knowledge are some of the inhibitive factors in knowledge transfer. It is imperative that the companies frame their own supportive repatriation policy, so that there is effective utilisation of the intellectual capital, grooming and retaining of the global workforce and therefore better growth.

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