

The importance of trust when inpatriating staff to HQ

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When it works well, inpatriation has the potential to increase the effectiveness of a global organization.

In today's global management context, companies are increasingly resorting to "inpatriating" managers from emerging markets to the parent company. Such a strategy enables companies not only to transfer valuable specialist knowledge, but also to increase coordination with emerging markets.

However, success in "inpatriation" is far from a given. The inpatriate faces a number of social and cultural barriers that can create a pervading climate of distrust among their new colleagues at headquarters.

And given that the inpatriate is expected to bridge two organizations - headquarters and a regional or national office - these barriers may significantly reduce the effectiveness of the inpatriate, as well as that of the organization itself.

In their *Journal of International Management* article, "[Developing Effective Global Relationships Through Staffing With Inpatriate Managers: The Role of Interpersonal Trust](#)," IESE's B. [Sebastian Reiche](#), together with Michael Harvey (University of Mississippi and Bond University) and Miriam Moeller (University of Queensland), examine the major factors in the trust development process.

Overcoming barriers to trust

Inpatriates face a formidable set of challenges from the onset. They may suffer a poor introduction to headquarters or experience unfamiliarity with the way business is conducted. They may also be treated with suspicion or even hostility by their new colleagues.

Furthermore, the culture shock experienced by the inpatriate will likely extend beyond the corporate climate of the organization to the difficulties of living in a culturally distant country.

That said, the inpatriate, and for that matter, the company, can turn the situation around by building bridges of interpersonal trust with colleagues.

As the authors point out, there are two widely researched types of interpersonal trust: affective trust and competence-based trust.

Affective trust is the creation of an emotional bond, and the result is the demonstration of helpful and loyal behavior. A long-term inpatriate has a better shot at developing this kind of trust, since it evolves over time through repeated interactions.

The successful short-term inpatriate is more likely to gain competence-based trust, which relies upon perceptions about ability and professionalism. While the short-term inpatriate provides an effective link between organizations, the long-term inpatriate may become distant from the subsidiary and over time lose that valuable capacity to connect.

Outcomes of trust building

By building cultures of trust, companies stand to benefit in three crucial ways.

Global talent management. An organization's ability to develop its talent globally can be improved with the development of trust. Benefits could include a gradual acceptance that an inpatriate's role is valuable, mentorship opportunities and the transfer of trust to future inpatriates.

Commitment and loyalty. All inpatriates are different when it comes to commitment and loyalty. While short-term inpatriates may feel more committed and loyal to their home unit, long-term inpatriates will increase their commitment to the parent company. However, in both cases, trust will enable their talent retention within the company.

Career progression. By absorbing the corporate culture and learning the management

practices of HQ, inpatriates are better prepared to assume more senior management responsibilities in local or regional offices.

Making inpatriation work

To lead the way on inpatriation, HR departments need to address relocation issues in their staffing and performance management strategies.

For example, the process of selecting an inpatriate manager should incorporate an analysis of the candidate's relationship-building skills and cultural sensitivity.

An ongoing cross-cultural support program could also be offered to inpatriate workers and may even be extended to family members.

Information about potential resistance from HQ staff should also be highlighted to the inpatriate.

The implementation of an additional cross-cultural program for HQ staff could tackle potential perception issues and help to clarify the inpatriate's role, responsibilities and relative importance in developing the global vision of the organization.

Such strategies are well worth investing in. Once trust is won, there is the potential for powerful change and growth at a global level, as enhanced global learning and talent retention pave the way for more effective relationships and outcomes in the future.

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