Research on the phenomenon of foreign executives in local organisations:
An overview of two recently published studies

By Dr. Frithjof Arp

14:00hr to 15:30hr, on March 10, 2014 at Room M612

Abstract

A number of foreign executives have in recent years been appointed to positions in the headquarter operations of culturally distant organisations (see http://FELOresearch.info). These appointments of foreign executives in local organisations (FELOs) can be viewed as a specific form of self-initiated expatriation (SIE), with several distinct types of FELOs found in fieldwork studies. Inter alia, the FELO phenomenon raises the broad theoretical question whether cultural distance is a problem that needs to be bridged (as implied by the LOF, expatriation, and cross-cultural management literature), or an asset that can provide advantage (as expressed in the literature on diversity).

To elucidate this and related questions, an overview and synthesis of two recently published journal articles is offered. The empirical part of the presentation will first explain differences between FELOs and other types of expatriates. Findings illustrate the situation of FELOs which includes heightened local scrutiny, issues of loyalty and control, and assumptions about income levels as a potential source of resentment. Second, typologies of the individuals and organisations involved in the FELO phenomenon are presented. These typologies demonstrate that FELO appointments do not necessarily indicate a geocentric hiring approach, and assist in identifying which FELO workplaces produce successful outcomes as well as those which are likely to fail. The applicability to other country contexts, implications for theory on diversity in management teams, and key criteria for FELO hiring practices are discussed.

About the Speaker

Dr. Frithjof Arp is an authority in international business strategy, negotiations and cross-cultural management. His research work has been published in leading international academic journals. His professional and academic career spans three continents and includes positions as Managing Director in Malaysia and Singapore (1995-2004, two companies concurrently), Australia (2004-2008) and Regional Manager Europe for a large Singapore conglomerate (1991-1995). Starting from an engineering background, he pursued executive management development in Germany, and received his PhD from Monash University, Melbourne, Australia. Dr Arp has lectured undergraduate Cross-cultural Communication & Negotiation and taught postgraduate International Management at Monash University, and lectured International Human Resource Management at La Trobe University. Dr Arp assists small and medium-sized enterprises (SMEs) from Europe, Asia and Australia with their internationalisation, develops market entry strategies, and offers cross-cultural negotiation assistance. Dr Arp is a globally mobile German national with Australian residency and Malaysian-Chinese spouse.