The Employer/Employee Relationship In Transition: Navigating The Unwritten Expectations

For many years, the workplace relationship was relatively simple. A specific offer of compensation made by an employer was exchanged for the experience, skills, and a specified work product to be provided by an employee. Reinforcing the explicit terms of employment were the implied elements of the relationship, which established a kind of unspoken understanding between the parties. Hiding in this obscurity was an expectation that, barring extreme circumstances, the relationship would be long-term, ideally developing over time. This inferred component of the relationship served to establish a type of psychological contract between the employer and employee. Writing in the journal, Academy of Management Executive, Denise M. Rousseau defined a psychological contract as beliefs based on promises, expressed or implied, regarding an exchange agreement between an individual and the employing firm and its agents.

In a 2013 World at Work survey, 52% of respondents cited finding, retaining and developing quality talent as their number one business challenge. Although the demand for key talent is greater than ever, external forces driving change in the global economy have influenced a difference in the way companies view employees, and how candidates think about opportunities. We've transitioned from a shared objective of meeting business requirements, to a climate of a more measured, transactional relationship, leaving many employees asking "what's in it for me?"

In an article entitled TOURS OF DUTY: The New Employer-Employee Compact (Harvard Business Review, June 2013), LinkedIn founder Reid Hoffman and his co-authors address the changing dynamics of the employer/employee relationship. They address the obsolescence of a conventional relationship characterised by promises of security and loyalty, suggesting that a more contemporary approach to human capital management is in order. The proposed new employer-employee compact provides for a shorter-term *tour of duty*, that is established to serve a specified purpose, and for a defined period of time. Rather than solely focusing on business requirements, a tour of duty approach takes into account company needs, as well as employee capabilities and career development interests. Perhaps the most provocative aspect of the new compact, is that employees are encouraged to build outside networks and expertise, be part of post-employment alumni networks and maintain career-long relationships, which may include multiple tours of duty over time with the different employers, subject to mutual interests and needs. The authors further develop this concept in their book entitled *The Alliance, Managing Talent In The Networked Age* (Harvard Business Review Press, 2014). The Alliance presents a framework that provides for an employer and employee to establish a mutually beneficial partnership intended to build company success in exchange for an employee's opportunity to enhance his/her experience and market value. With the exception of longer Foundational tours of duty structured for an organisation's senior leadership, more typical Rotational or Transformational tours of duty would be structured to last for a period of up to five years.

The alliance model has emerged from workforce management requirements facing information technology firms, which are perhaps also shared by companies in industry sectors that rely on highly specialised talent to drive innovation, capture their share of the market and maintain a competitive advantage, while managing sharp fluctuations in staffing needs. But this reflects only one side of the coin. The individuals who possess skills and experience that are in such high demand are enjoying a bit of an employees' market. As such, people in this category have become much more astute at managing their careers and leveraging the luxury of choice. The one-time acceptance of an employment opportunity based an ambiguous promise of future rewards is being replaced by a more strategic analysis focusing on the prospect of a specific, more direct return based on personal career interests and objectives. In an environment characterised by talent scarcity, there are many factors at play for candidates whose skills are in demand. Bringing employer and employee expectations in sync can be quite challenging, a circumstance that increases in complexity within the context of international assignments and talent mobility. In addition to identifying candidates with appropriate skills and experience, for a company the competition for talent involves getting the right people to the locations where they are needed most. For a candidate, location considerations become part of the assessment of individual and family requirements, career interests and personal goals.

For hiring managers, considerations beyond a person's experience and professional capabilities is an important part of making an informed decision regarding candidate selection. There are ancillary factors relevant to determining a person's potential for success, based on specified circumstances. This may especially be the case if an assignment is part of a shorter-term employer/employee engagement.

With the premise of an alliance between employer and employee in mind, to what extent do the assignment locations being discussed address the professional and personal needs of the candidate and his/her family? Are there locations that influence an increase in candidate expectations regarding compensation and accommodations? What is the candidate's exposure to the host location relative to cultural nuances that impact the way business is conducted? Beyond the expertise required to address the business challenge, does he/she possess the self-awareness required to engage effectively with colleagues and others in the remote location?

It is important for an organisation to be able to articulate its priorities relative to international assignments, and to evaluate the global fluency of candidates relative to those priorities. A person's ability to operate effectively in the global community can be as important as the technical skills and experience he/she brings to the table. Consider, for example, an experienced, highly qualified person who is unaware of the cultural and professional norms that influence business transactions in the country where he/she is assigned. The investment of resources supporting the assignment could be placed at risk due to a lack of understanding regarding protocol. Resistance to, or lack of awareness in this area can have a profound and sometimes irreparable impact on the success of the assignment, its timeline and outcome.

Evaluating a person's opportunity for success when navigating an international assignment can be described in part as an assessment of his/her Global Mindset. Based on extensive research conducted by the Thunderbird Najafi Global Mindset Institute, Global Mindset refers to a person's ability to interact with, influence and relate to, individuals unlike themselves. (2014, Thunderbird Najafi Global Mindset Institute). It is a measure of Intellectual, Psychological and Social Capital relative to the ability to conduct business and communicate effectively in a global business environment. Understanding a person's capacity in each of these areas helps determine whether his/her capabilities are aligned with those that may be required for a specific assignment, or to conduct business successfully outside of their home environment. While this may appear to be subordinate to professional skills and experience, a lack of interest in how to engage effectively with people from different parts of the world has been shown to create obstacles that interfere with the achievement of strategic objectives.

Setting an evaluation of Global Mindset as a priority when identifying potential candidates for critical international assignments will help identify opportunities to increase the potential for a successful international assignment, both for the organisation and the individual. For the organisation, it can mitigate the potential for indirect interference that may impact achievement of the assignment objective. For the individual, it can contribute to faster assimilation in the new environment, which influences a more favourable professional and personal experience. Reflecting for a moment on the alliance framework, it is possible that discussions involving global fluency may not be viewed as a priority by an individual being considered for a specific role. This may create another point of alignment, and perhaps negotiation when comparing organisational requirements with candidate objectives and interests. But it is a point worth addressing, especially if the candidate is facing his/her first exposure to a new environment.

In their book entitled *Managing Expatriates: A Return On Investment Approach* (2013, New York, NY, Business Expert Press, LLC), Yvonne McNulty and Kerr Inkston introduce the concept of individual return on investment, or iROI, as "The perceived benefits that accrue to expatriates arising from international assignment experience in relation to professional and personal gains." They later conduct an extensive discussion about the psychological contract between employer and employee, referring to it as being subjective, idiosyncratic and defined by the individual. The evaluation of a person's commitment to global fluency is an important component of the professional qualifications that should be considered as criteria for an international assignment. It is important for organisational leaders to have confidence that the people who represent the company as its agents in the larger business community do so in a manner that is reflective of the company's values regarding global citizenship.

An organisation's ability to structure international assignments effectively represents a large component of its capacity to achieve strategic business objectives. It means not only considering the needs of the business and aligning the interests and expectations of the individuals engaged to do the work. In the global economy it also means knowing that the people who represent the company accept and embrace the importance of global literacy and view developing appropriate and relevant etiquette as a component of developing leadership and professional presence. Although the advantages of paying attention to this detail may be obscured in the implied expectations of an engagement, increased awareness of its relevance to building professional capital is what may differentiate like candidates with similar professional skills and experience. The individual interpretation of the psychological contract and quest for personal gain is then focused more on assignments of higher value, with higher stakes, which stands to support a stronger alliance between employer and employee.

While international assignments have been a critical business component, and a mechanism for development for some time, assignment objectives have primarily been focused on organisational needs. The ability to establish and maintain alignment between organisational requirements, and the professional interests of key talent, is what will be required to effectively establish lasting professional relationships. Whether long-term employees or alliance partners considered for periodic tours of duty, conversations about professional goals and interests should take place early and often, viewed through both a strategic and a professional development lens. Elements of the emerging psychological contract are about a value proposition that reflects a shared purpose supporting the objectives of both the organisation and employee.

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