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Overseas Stints for U.S. Workers Are Shorter but Still Challenging

By TANYA MOHN

Companies still want footprints around the world, even at a time when their business has slowed. But it is no surprise that many companies have cut back on sending employees overseas in order to reduce costs.

Even so, alternatives to traditional long-term assignments "have grown immensely," said Scott Sullivan, an executive vice president of Brookfield Global Relocation Services, the firm that produces the annual Global Relocation Trends Survey. The most common alternative, short-term assignments, which typically last from several months to a year, have tripled in the last eight years, Mr. Sullivan said.

"They're cheaper because it doesn't involve bringing the family," he said.

But while companies can cut their immediate costs, other problems can crop up. "Companies can run afoul of compliance on tax and immigration laws" in host countries, Mr. Sullivan said. Some have gotten their hands slapped, had fines imposed or had employees deported or, in extreme cases, put in jail.

A. Pendleton DuPuis, president of the Emigra Group, a consulting firm that manages visa and immigration programs, works with many companies, often after they get in trouble. "They don't want to take the risk of being shut down or having key people return home," Mr. DuPuis said.

He recounted how a large American company sent an executive to run operations temporarily in Spain, but when immigration authorities there discovered he did not have working papers, "they actually came to his office and asked him to leave" within three days. The authorities could have shut down the company offices, he said. Instead, the executive left the country voluntarily.

Countries have cracked down for reasons that include heightened security and economic pressure. Countries are getting more sophisticated, and there is more sharing of tax and immigration information within countries and between countries because technology has made that easier, said Maria Martorello, a partner in the global employer services practice at Deloitte's tax division. "Before, countries were able to put their heads in the sand. Now, they cannot ignore these risk areas."

According to a report by KPMG, compliance is particularly tough for extended business travelers who “fly below the radar” because they frequently travel to one or multiple locations and have unpredictable schedules, making them difficult for companies to track.

Some companies have started using various tools to help identify these “stealth expatriates.” Accenture, the management consulting firm, started using an interactive Web site, the Global Mobility Relocation Navigator, to help inform employees about visa and tax issues.

Support services and an assessment of an employee’s suitability for the job also are critical, said Brenda H. Fender, director of global initiatives for Worldwide ERC, an association concerned with work-force mobility. Poorly chosen or unprepared employees and their families can jeopardize the success of an assignment, she said.

The Interchange Institute, a research and consulting organization based in Brookline, Mass., recently released two studies that looked at the effect short-term and extended business travel assignments had on employees and their families.

The studies found that while these assignments were intended to be cost effective for companies, there was unexpected stress on family income: only about a third of families surveyed believed they were adequately compensated for additional expenses for communication, household help, transportation and child care. Short-term assignments, while considered less disruptive than long-term postings, pose “clear challenges to families,” said Anne P. Copeland, the institute’s executive director.

That was the case for Marc Lawlor and his family. When he agreed to a 12-month consulting assignment in environmental engineering in Dubai last year, the move was intended to add international experience to his résumé and increase his pay, while also allowing his wife to keep her job and their two children to remain in their schools.

But his employer, a small company, provided few services to assist them, Mr. Lawlor said. “It was their first foray bringing a U.S. employee overseas.” The first two months were tough, he said, as he worked 10 hours a day and looked for housing at night. “And the paperwork was never properly done by the company.” Mr. Lawlor said he drove over the border to Oman several times to get his visa renewed, and the company paid fines on a few occasions.

His wife, Debbie Alaimo Lawlor, had her own challenges. “What you go through is a kind of depression,” she said. “Four weeks into the assignment I just started to get really, really lonely. “ She paid her own expenses to visit Dubai nine months into the assignment. “If I visited Dubai at the beginning, I think it would have made it a lot easier, but we didn’t know what to ask for,” she said.

When Mr. Lawlor returned home this year, he was laid off two days later. “It came as a shock to us,” Ms. Lawlor said.

But there were some unexpected benefits to the overseas experience. The couple’s two children rose to the occasion by pitching in with household chores and being supportive. “For my 50th birthday,” Ms. Lawlor said, “my son actually sent flowers because he knew his dad would have done this.”