

**Best Practices for Training Advertising Expatriates**

by

**Emma Chambers**

**A Research Paper  
Submitted in Partial Fulfillment of the  
Requirements for the  
Master of Science Degree  
in**

**Training and Development**

**Approved: 4 Semester Credits**

  
\_\_\_\_\_  
**Kari Dahl**

**The Graduate School  
University of Wisconsin-Stout**

**May, 2007**

**The Graduate School  
University of Wisconsin-Stout  
Menomonie, WI**

**Author:** Chambers, Emma

**Title:** *Best Practices for Training Advertising Expatriates*

**Graduate Degree/ Major:** MS Training and Development

**Research Adviser:** Kari Dahl

**Month/Year:** May, 2007

**Number of Pages:** 43

**Style Manual Used:** American Psychological Association, 5<sup>th</sup> edition

**ABSTRACT**

Training and development in global advertising agencies is often neglected because of the high turnover rates in the agencies. Advertising agencies do not feel compelled to invest extensive amount of time, money, and energy in training their employees because they feel employees will leave for the first offer that will give them more money. This study looks at the best practices that global advertising agencies can use to train their employees and help them to be successful in future expatriate experiences through an extensive review of literature.

The Graduate School  
University of Wisconsin Stout

Menomonie, WI

Acknowledgments

I would like to thank my program director, Kat Lui, and my undergraduate advisor, Karen Kremer, for helping me develop the idea for my thesis research. I also would like to thank my thesis advisor, Kari Dahl, for helping me to bring it to life. In addition, I thank all of the supporting actors in my life; family, friends, and colleagues who encouraged me and kept me focused on my goal. SHLL

## TABLE OF CONTENTS

	Page
ABSTRACT.....	ii
Chapter I: Introduction.....	1
<i>Statement of the Problem</i> .....	1
<i>Purpose of the Study</i> .....	2
<i>Assumptions of the Study</i> .....	2
<i>Definition of Terms</i> .....	3
<i>Limitations</i> .....	3
<i>Methodology</i> .....	4
Chapter II: Literature Review .....	5
<i>Expatriate Training Strategies</i> .....	5
<i>Success Rates of Expatriates</i> .....	7
<i>Advertising industry Human Resource Culture and Training Practices</i> .....	10
<i>Case Studies</i> .....	11
<i>Summary</i> .....	17
Chapter III: Methodology .....	18
<i>Subject Selection and Description</i> .....	18
<i>Instrumentation</i> .....	19
<i>Data Collection Procedures</i> .....	19
<i>Data Analysis</i> .....	19
<i>Limitations</i> .....	19

<i>Tables</i> .....	20
Chapter IV: Results .....	22
<i>Case Studies</i> .....	22
<i>Analysis</i> .....	26
<i>Summary</i> .....	27
Chapter V: Discussion .....	28
<i>Conclusions</i> .....	28
<i>Recommendations for Future Study</i> .....	35
<i>Summary</i> .....	36
References .....	37

## Chapter I: Introduction

Advertising agencies today are facing a tough US market since the terrorist attacks on September 11, 2001. The industry is slowly beginning to grow again after several years of advertising cutbacks. As the advertising agencies begin to rebuild and grow their businesses, many are beginning to recognize the importance of being a global agency. They are serving clients around the world. Several agencies have opened up branch offices in other countries. Building the agencies requires a lot of assistance from the human resource department to both hire and train new employees. Agencies, however, often struggle with what type of training to provide to employees.

Advertising is a highly competitive field with hundreds of applicants vying for a single position at an agency. Talented employees are often wooed away from one agency to another. Agencies want to have the best talent in order to gain new business and win advertising awards. This often leaves advertising agencies who lose employees to again search for new talented individuals and makes them reconsider how important and what role training plays in their agency; especially as they begin to develop into a global advertising agency. Training individuals can cost \$4000- \$5000; far less than the \$150,000-\$500,000 that can be lost if an agency loses an employee (Carter, 2005).

### *Statement of the Problem*

The need for training of advertising employees about intercultural issues is growing as more advertising agencies become global agencies. Unfortunately, many agencies struggle with the degree to which they should train their employees because of the high level of turnover in the advertising industry. Therefore, it is important for advertising agency employees to have a strong understanding of intercultural issues in

order for them to be successful in an international market. This study will look at options and best practices that advertising employees can be trained and prepared to work abroad.

### *Purpose of the Study*

This study will investigate the role of training in global advertising agencies and the role of the human resources department. In addition, the study will investigate if increasing employee training impacts retention level of employees. Finally this study will also look at best practices for preparing employees for an expatriate experience. The specific research questions are:

1. What are important key steps to preparing an employee, to work in a global company?
2. How does training of employees affect retention levels at a global company?
3. What are important key steps to preparing an employee to work in a global advertising agency?
4. How does training of employees affect retention levels at global advertising agencies?

### *Assumptions of the Study*

1. This study assumes that all advertising agencies in the study have offices in the United States and overseas.
2. It also assumes that all advertising agencies in the study are using training strategies to prepare their employees to work in overseas offices.
3. The study also assumes that evidence that appears three or more times is a common theme and can be considered a best practice if it positively affects the organizations.

### *Definition of Terms*

*Advertising Agency*- “An Organization of professionals who provide creative and business services to clients related to planning, preparing, and placing advertisements” (O’Guinn, Allen, Semenik, 1998, p. 577)

*Global Agency*- “Advertising agencies with a worldwide presence” (O’Guinn, Allen, Semenik, 1998, p. 581).

*Expatriate*-“To leave one's native country to live elsewhere” (Merriam-Webster, Inc., 2006, para. 1).

*Inpatriate*-native people of foreign countries employed by a global company (McCaughey & Bruning, 2005).

*Repatriate*-“ How does training of employees affect retention levels at global” (Merriam-Webster, Inc., 2007, para.1)

### *Limitations*

1. The results of this study are limited to global advertising agencies with offices in United States and overseas.
2. The results of this study are generalized training strategies and information that employees should know or receive before working in another country or with clients from another country. More training and information would need to be given for working in specific countries.



### *Methodology*

A thorough review of literature will be conducted to review the training strategies and practices of advertising agencies with offices in the United States and overseas.

During the methodology, strategies and practices of the various agencies will be recorded. After reviewing at least five agencies, the list of strategies and practices will be reviewed to identify themes present at least three times in agencies. Those strategies and practices that positively impact the organizations will be characterized as best practices.

## Chapter II: Literature Review

### *Introduction*

Literature regarding preparation of advertising agency employees for expatriation is extremely limited. This review of literature will discuss the topics of expatriate training strategies, the success rates of expatriates, the advertising industry human resource culture and training practices. Reviewing this literature will help to describe the background of the research problem of finding the best practices to prepare global advertising agency employees to become expatriates.

### *Expatriate Training Strategies*

The need for training Americans to work as expatriates is becoming more evident and necessary every year. According to Melton (2005), eight million Americans—not including members of the military—live and work in foreign countries today. As advertising agencies recover their businesses from the advertising downturn and begin to rebuild, many are looking to overseas markets. Organizations are beginning to use an increased number in-patriates, employees from foreign countries and flexpatriates employees working in multiple countries; however, there remains a need and desire for expatriates for foreign assignments (Welch, 2003).

Cross cultural training is a critical part of training employees to work as expatriates in foreign countries. Cross cultural training about the host country is essential to ensure a positive experience for the employer and the employee. Typically only about 26% of expatriates are provided with cross-cultural training (McFarland, 2006). If expatriates do not understand customs and behaviors of the host country, they can have an extremely difficult time adjusting to the host country and may take behaviors of

natives as personally insulting (McFarland, 2006). An inability to adjust to the host country is a major factor in the success of an expatriate.

There are a variety of training strategies and techniques that employers use to prepare employees to be expatriates. Before the foreign assignment, employers can focus on helping the employee to acquire the necessary skills to perform well on the assignment (McCaughey & Bruning, 2005). These skills may include language training in order to be able to adapt to the new physical environment, and career counseling in order to effectively incorporate the expatriate work experience into the employee's long term career objectives. Employers can also identify knowledge, skills, and abilities that the employee lacks and provide training for them, prior to their departure for their expatriate assignment (McFarland, 2006).

In the case of providing cross-cultural education when language acquisition is involved, at least one year is needed in order for the expatriate to gain the necessary knowledge (Harris & Moran, 1991). It is also recommended to take a general approach to cross-cultural training and then move into more specific training for the cultural that the expatriate will be moving to (Harris & Moran, 1991). Action learning is a useful strategy to help engage learners in the cross-cultural training experience (Harris & Moran, 1991).

Training of expatriates needs to be tied to the importance of international business operations and objectives of the organization. Another important factor is providing training and development that is tied to overall business goals. Finally the organization should systematically manage the international knowledge that expatriates acquire in preparing for their assignment abroad (Varner & Palmer, 2002).

Training should happen to prepare the expatriate for their experience. There are multiple approaches to conducting the training. Training can happen in the host country or the home country (Craig, 1987). The reinforcement of the host countries language is best done and reinforced in the host country (Craig, 1987). Whenever possible, expatriates should be separated from their families when the training happens in order for them to have a more immersed training experience (Craig, 1987).

Employers can also provide cross-cultural training for the family members who will remain at home to help them understand what the expatriate will be experiencing on assignment (Shellenbarger, 2005). Family problems often contribute to failed expatriate assignments. Companies assisting family members to better understand what the expatriate will be experiencing can take away some of the anxieties the family experiences and increase the chances of the expatriate completing the assignment. When family members are unhappy, the assignment is at risk of not being completed; this is true for both short and long term assignments (Shellenbarger, 2005).

Many employers are reluctant to provide training to expatriates because they do not see the value in understanding general cultural awareness and meeting business goals (Varner & Palmer, 2002). In addition, many employers do not see expatriate training as being cost effective. Many managers still believe that a good manager is good no matter where they are located; they just need to hold the technical knowledge and skills of the job (Varner & Palmer, 2002).

#### *Success Rates of Expatriates*

Success rates of expatriates are largely determined by whether or not expatriates stay for the entire assignment and have little to do with how well the employee works in

his or her position abroad. On average, about 40% of expatriates fail their assignments, meaning they return home before finishing their assignments. The replacement costs of an expatriate can be as much as three times their salary. In addition, failing to complete an assignment can cost the company its image and value to foreign markets, and damage the reputation of employees who fail (McFarland, 2006).

Human resource departments that establish a clear expatriation plan that includes a career development plan have greater success with their expatriation programs (McCaughey & Bruning, 2005). Organizations that have well-planned and well-adjusted expatriates will likely have greater job satisfaction reducing the risk of premature repatriation. In addition, organizations with established repatriation programs can capitalize on the knowledge the employee gains while on the assignment and have an enhanced job satisfaction level upon repatriation, returning to their home countries (McCaughey & Bruning, 2005).

A careful, systematic selection of employees to participate in expatriation can alter the outcome of the expatriation experience. Often employees are selected to work abroad because of their technical abilities, availability and willingness to undertake the duties (Craig, 1987). Assessing employees' language skills, adaptability, commitment to the training objectives and organization, openness to new location's norms and values during the selection process can help make for a more positive expatriate outcome (Craig, 1987). Studies have shown that expatriates who adjust and work well with international assignments often have well-integrated personalities, that are flexible, stable, social mature, and have social inventiveness (Harris & Moran, 1991).

One way that employers increase the success rates of expatriates, is simply shortening the assignment lengths. There were five times as many short assignments, one year or less, in the 2003-2004 poll than in the previous decade (Carter, 2005). Because of the shortened assignment lengths, training strategies also have to be changed in order to meet the needs of employees being sent on assignment. The shortened assignments and training programs serve two functions: to increase expatriate success; and to decrease costs to the organizations. However, in comparing the cost of training, \$4000-\$5000, versus the cost of a failed assignment, \$150,000-500,000, makes the training program more valuable and worthwhile in order to increase the success rate of expatriates (Carter, 2005).

It is important to help expatriates understand their own companies' corporate cultures. It is useful that expatriates understand their companies' dominant characteristics and how they fit in with the host countries' culture (Craig, 1987). This helps the expatriate to realize why some business practices exist that may seem otherwise trivial (Craig, 1987). Along with understanding the organizations culture, understanding how communicate effectively within the organization is also crucial (Craig, 1987). Gradually expatriates will become bi-cultural, with a firm understanding of both the host and home country cultures (Craig, 1987).

Regardless of what training method or strategy is selected for training expatriates, it is important to recognize that training takes time and preparation. Selecting the proper staff to make expatriates selection can also improve the outcome of the experience (Harris & Moran, 1991). Again, it is important to carefully recruit, select, develop, and prepare, personnel for expatriation (Harris & Moran, 1991). Research indicates that

proper human resource development can improve performance efficiency of multinational companies' international personnel (Harris & Moran, 1991).

Research has shown a strong correlation between a lack of training for expatriates and failed assignments (Selmer, 1995). A positive correlation has also been noted between cross-cultural training and the development of proper perceptions of host country natives; between the training and adjustment and the training and performance (Selmer, 1995). Research about the type of training offered have indicated that it is not so important about what type of training is used but the process of being trained that has the most impact. Training makes expatriates aware of the experience they will face and prepares them to deal with it more effectively (Selmer, 1995). In addition, when an employee receives training from their employer before an expatriate experience they feel more supported for what they are going through (Selmer, 1995).

#### *Advertising Industry Human Resource Culture and Training Practices*

Downturns in the economy can greatly impact the advertising industry. As companies feel the pressures of a bad economy generally their first reaction is to pull advertising money. Pulling advertising money affects the advertising agencies who serve these clients and causes them to respond in cutbacks. Agencies currently have been feeling the poor economy which has resulted in skeletal human resource departments (Gilbert, 2002).

In-house training programs that many advertising executives graduated from have become a thing of the past. Advertising agency human resource departments have experienced so many cutbacks that they are now operating with very limited or almost no resources. Because of the leaner and meaner agency physique, even the idea of fitting in

training sessions during lunch periods or evening hours is a distant idea. Conferences that were once available to everyone are now a perk reserved for senior executives. Even if one does get the opportunity to attend a conference, the volume of work that accumulates while one is away overshadows the benefits of attending the conference, making employees reluctant to attend conferences (Gilbert, 2002).

Because up and coming advertising employees are not getting continuing education, to serve as a spring board for launching their careers, there will not be enough qualified applicants for jobs that open up as the advertising industry begins to recover and grow out of the current poor economy. In addition, since advertising agencies are operating at such a skeletal level, there has not been a lot of opportunity in the recent past to have mentoring programs for current employees to pass on the advertising torch of knowledge. This lack of mentorship will hurt future generations of advertising employees lack of knowledge, but also will impede their understanding of the culture of advertising. If advertisers want to create enduring relationships with clients, it will be important for them to renew their commitment to their own professional development (Gilbert, 2002).

#### *Case Studies*

The following information in this chapter identifies training strategies being utilized to train expatriates in companies with expatriates that currently have training programs in place for their employees.

3M Corporation has companies located in over 60 countries and sells products in more than 200 countries. 3M is a diversified technology company with products for consumers and offices. Its brands include Scotch, Littmann, Nexcare First Aid, Filtrete, and Post-it. 3M has a market presence includes safety, security, health care, display and



graphics (Reference USA, 2007). It was recently recognized by Hewitt Associates as one of the Top 20 U.S. Companies for Leaders. All of the companies on the list focus on developing leaders and have CEOs who also care about their development (Hewitt Press Release, 2005).

3M is committed to providing learning opportunities to its employees at all levels of the organization to help improve their knowledge skills and abilities. They offer two development tracks, management and technical (3M Corporation, 2007). On-going learning includes leadership development, knowledge sharing forums with Leaders Teaching Leaders, employee special interest groups, function-based formal education, and training activities (3M Corporation, 2007). In addition, employees can establish career development plans with a variety of e-learning programs to help them meet their goals (3M Corporation, 2007). 3M is strongly committed to continuous development of all employees.

A commitment to diversity is a core value of 3M. Their work force reflects the diverse populations where their employees around the world live and work. Program sand mentors are used to professionally develop employees and aid in recruitment and retention (3M Corporation, 2007). 3M partners with colleges and universities to help with recruitment of recent graduates in a variety of majors. 3M allows employees to work with other 3Mers around the world to develop ideas and work with a variety of technologies (3M Corporation, 2007).

30 years ago, a small informal lunch hour group began to practice German. Today the group has evolved into the Language Society at 3M. There are over 1000 members in the society including current and retired employees and some immediate family

members. There is a small fee to join, \$5, and texts are provided at cost to members (Dolainski, 1997). The Language Society gives members the opportunity to meet once a week during lunch with their group to practice their particular language. There are now classes in 17 languages that are taught by 70 volunteers (Dolainski, 1997).

The language training program goes beyond the Language Society at 3M. There are also tutors for outbound and inbound employees. Margaret Beaubien, 3M's language services administrator says "It's becoming critical that companies have employees who not only have studied other languages, but also who have received some cultural training and who understand how we can do business with people who are different, how can we work together as productively as possible" (Dolainski, 1997, para. 52). Human Resource professions must make language training a significant part of the training process for an expatriate program (Dolainski, 1997). Adopting language training programs can help secure companies success in future years as companies globalize.

Nokia Corporation is a world leader in mobile communications. It began in 1865 has evolved with the changes in communication technology. Nokia provides products for mobile communication, imaging devices, games, and media and business communications. Nokia offers mobile devices with multimedia applications and Bluetooth capabilities (Reference USA, 2007).

Nokia employees have a strong commitment to self-development. The work environment and Nokia is continuously developing, therefore, the employees need to seek continuous improvement in order to stay on the cutting edge of technology development. Employees at Nokia can make their own personal career development plan (Nokia Corporation, 2007).

Employees have access to training through the Nokia global network of Learning Centers. The company Learning Market Place Intranet provides access to employees about all of Nokia's learning solutions and e-learning as well as classroom training (Nokia Corporation, 2007). In addition, there is a training track for managers to help them continue to develop their management and leadership skills.

Coaching plays a crucial role in the continuous learning process. Employees are coached by more experienced employees. Employees also work on a variety of teams which helps spark their development and give them chances to share ideas and goals with others in the industry.

As the world's second largest mobile phone manufacturer, Nokia is a prime example of how to effectively use international assignments to develop employees (Black & Gregersen, 1999). Nokia has 36 centers in 11 countries that engineers are recruited from to serve on product development teams (Black & Gregersen, 1999). By bringing engineers together from around the world Nokia is able to capitalize on their talents and invent new products. As a result, Nokia continues to grab up market share. Nokia seeks employees who can focus on the task at hand and meet the objectives to recruit their expatriates. They use the expatriate assignment to develop products rather than leadership skills as most companies do (Black & Gregersen, 1999).

LG Electronics USA is a subsidiary of the Korean parent company. It started in 1958 as a pioneer in Korean electronics. LG Electronics employs more than 66,000 people in 76 subsidiaries in 39 countries. LG Electronics has four principle areas: mobile communications, digital appliance, digital display, and digital media (Reference USA, 2007).

LG believes in providing employees with training through its education centers worldwide. There are educational programs offered to employees according to their rank and job. The company hopes to inspire growth and development in order to mold them “into the right people” (LG Electronics, 2007). By providing employees with ongoing training, LG can equip their employees with the latest technology to help them work better.

LG Electronics takes a more formal approach for selecting employees for foreign assignments. LG utilizes a survey purchased from an outside company that costs about \$300-500 per employee. The survey is administered to employees during the early stages of employment with the company. It asks 100 questions to rate his preparation for global assignments and assess his cross-cultural skills (Black & Gregersen, 1999). Supervisors review the survey results and determine future on-the-job experiences and training that can help improve the employee’s strengths as well as build skills to enhance weaker areas. About 97% of LG expatriates are successful on their assignments because of the time that they are given to prepare for their assignments and to sharpen their skills (Black & Gregersen, 1999).

Colgate-Palmolive is a leader in global consumer products. Colgate-Palmolive sells its products in more than 200 countries worldwide. Its brands include Colgate, Palmolive, Mennen, Softsoap, Irish Spring, Protex, and Ajax. Colgate-Palmolive is one of the largest sellers of personal hygiene products (Reference USA, 2007).

Colgate-Palmolive has about 70% of its sales outside of the United States. It has an extensive international presence. The company recruits college graduates for entry-level positions, who show potential to handle cross-cultural environments (Black &

Gregersen, 1999). Many of these individuals have already lived or worked abroad and usually can speak another language. Colgate-Palmolive takes advantage of experiences that employees have had working abroad with other companies (Black & Gregersen, 1999).

Colgate-Palmolive puts a lot of value in providing employees with on-going training. They believe that their success in the global market place is linked to the skills of their employees. According to the Colgate-Palmolive website, "Practical learning and continuous growth are critical to our continued success" (Colgate-Palmolive, 2007). Colgate-Palmolive's employee training regiment includes classroom training, sharing best practices on a global level, and developing practical work applications based on real-world learning (Colgate-Palmolive, 2007).

Employees at Colgate-Palmolive receive coaching as part of their training program. Coaching provides on-going feedback and discussion of progression toward goals. Colgate-Palmolive encourages two-way communication that is on-going. Employees engage in annual goal-setting sessions, as well as receive written appraisals and documents to show progress toward career goals (Colgate-Palmolive, 2007).

Colgate-Palmolive is cautious about sending young employees on extensive expatriate experience. Generally, employees are sent on short training experiences lasting 6-18 months (Black & Gregersen, 1999). These assignments are not as costly to the organization if an employee fails to complete the assignment. In addition, young employees are able to have experiences in several different countries before being assigned as a manager to a single company. The variety of shorter expatriate experiences

allows them to increase their knowledge of several countries and advance their career fairly quickly (Black & Gregersen, 1999).

Colgate-Palmolive believes in a continuous training strategy to enhance their professional development. They develop their employees through structured classroom learning, on the job experiences, sharing best practices globally and coaching. They believe their success in the global market place is directly linked to the skills of their employees and invest a significant amount of resources into employee development (Colgate-Palmolive, 2007).

### *Summary*

The literature reviewed indicates that training and preparation remain strong influencers on the success of employees working both at home and abroad. There is currently a lack of training and development in advertising agencies. Many of the principles and training techniques for preparing individuals to work in a foreign location that are utilized by the companies in this chapter are transferable to global advertising agencies.

## Chapter III: Methodology

### *Introduction*

The need for training of advertising employees about intercultural issues is growing as more advertising agencies become global agencies. Unfortunately, many agencies struggle with the degree to which they should train their employees because of the high level of turnover in the advertising industry. Advertising employees are often easily recruited to new companies that seem to offer more career opportunities or creative freedom. There is also a shift with new advertising employees who don't have a "career-for-life" mindset. They consider life to be more important than work and may seek overseas volunteer experiences over staying at a company (Beale, 2006).

It is important for advertising agency employees to have a strong understanding of working in the advertising industry. It is also important that employees understand cross-cultural issues in order for them to be successful in an international market. This study will look at options and best practices that advertising companies have used for employees to be trained and prepared to work abroad.

### *Subject Selection and Description*

The sample agencies will be global advertising agencies that have or plan to have employees work in foreign offices. The agencies that will be identified meet these criteria and have offices in the United States and overseas. The companies selected for this study are leaders in the advertising industry and to some extent have established training programs in their organizations.

### *Instrumentation*

From the review of literature best practices in training were discovered that will act as themes in the content analysis of training programs of advertising agencies with international offices. In addition, best practices for training in international settings will be reviewed.

### *Data Collection Procedures*

To collect data, training themes and practices will be recorded during the review of advertising agencies strategies. In addition, training strategies for expatriates in other industries were reviewed in the review of literature and themes for training expatriate is general were recorded.

### *Data Analysis*

The data will be analyzed using trends that will be identified throughout the review of literature. The trends include those strategies that positively impact the organizations training strategies will be identified as best practices. See tables 3.1 and 3.2 that follow.

### *Limitations*

1. The results of this study are limited to printed materials about global advertising agencies with offices in United States and overseas.
2. The results of this study are generalized training strategies and information that employees should know or receive before working in another country or with clients from another country. More training and information would need to be given for working in specific countries.



Table 3.1  
Global Company Best Practices for Training Regular Employees

	3M Corporation	Nokia	LG Electronics	Colgate-Palmolive
Coaching	X	X		X
Personal Development Plans	X	X	X	X
Intranet Sources		X		
E-Learning	X	X		
Classroom, face-to-face	X	X	X	X
Team Development	X	X		X
Sharing within Industry	X	X	X	X
Technology Training	X	X	X	
Annual Goal Setting	X			X
On-going Feedback		X		X
Written Peripherals			X	X

Table 3.2  
Global Company Best Practices for Training Expatriates

	3M Corporation	Nokia	LG Electronics	Colgate-Palmolive
Language Training	X			X
Cultural Training	X		X	X
Product Development Teams	X	X		
Preparation Surveys		X	X	
Time to Prepare			X	
Recruiting at College Students	X			X
Global Sharing	X	X	X	X
Practical Applications to Real World Learning	X	X	X	X
Short Training Experiences		X		X
Several Training Experiences	X	X		X

## Chapter IV: Results

### *Introduction*

The need for training of advertising employees about intercultural issues is growing as more advertising agencies become global agencies. Unfortunately, many agencies struggle with the degree to which they should train their employees because of the high level of turnover in the advertising industry. Training has become a larger concern because of the lack of qualified individuals (Lovel, 2005). In a recent study (Lovel, 2005) advertising agencies identified their top human resource concerns. Training ranked third in the survey behind recruiting and medical insurance costs. Some advertising agencies are incorporating training into their corporate environment already. Often, training programs within organizations strive to train entry level employees, but stop there. Training programs need to be taken to the next step in order for employees to be able to do their job and be efficient problem solvers (Dominiak, 2006).

Several agencies identified as global agencies were investigated to recognize current training practices for employees within the organization as well as those preparing to work overseas. Very limited information was available about agency training for either arena.

### *Case Studies*

#### *BBDO Worldwide*

BBDO Worldwide Inc is one of the biggest global advertising agencies. They have offices in 77 countries with over 17,000 employees. Their clients include Alka-Seltzer, Aquafina, Cingular, Nike, and Wrigley's (Reference USA, 2007). In 2002,

BBDO was among a small group of agencies to post double digit growth. About 60% of the growth was organic and the other growth resulted from acquisitions in Asia (McKegney & Wentz, 2002).

BBDO developed BBDO University to train up and coming advertising employees. The program lasts three to four days and is designed to give new advertising professionals skills to work efficiently in the industry. Participants of BBDO University often have only two years experience in the business. BBDO University acts as a feeder program to CEO positions and international branch offices. For example, the new CEO of the Prague office is a BBDO University graduate (Voight, 2003).

### *WPP*

WPP employs around 79,000 employees worldwide and is one of the world's leading communications services groups (Reference USA, 2007). WPP has 1700 offices in 100 countries. The company is headquartered in New York and works with over 300 of the Fortune 500 companies.

WPP gives opportunities to young MBAs and university graduates who show promise by accepting them into the WPP Marketing Fellowship program (Voight, 2003). The fellowship program places participants in WPP offices. There are only 15-18 fellowships given per year. Fellowship participants are treated well in the agencies because they are among the top graduates of their graduating classes. Participants have the opportunity to work and learn from the best in the business. The program teaches students the intricacies of working in multidisciplinary marketing and how to develop leadership, collaboration, management, and decision making skills. Top level prominent executives are also utilized as teachers, trainers, and coaches (Voight, 2003).

### *JWT*

JWT is a subsidiary of WPP with more than 140 years in the advertising business. It is ranked the largest advertising agency in the United States and fourth largest in the world. JWT employs over 8,500 employees in more than 90 countries around the world. Clients of the JWT include Kimberly-Clark, Kraft, Merrill Lynch, Diageo, Bayer, and Cadbury (Reference USA, 2007).

JWT offers two training programs to its employees depending upon their status in the organization. The first program: the Professional Development program is designed to provide continuing education to its general staff. The second program: the High Potential Group is comprised of about 50 employees under the age of 30 who show strong potential. They are put through a strenuous training regiment and special projects to put them on the fast track (Goldbogen, 2005).

### *Young & Rubicam*

Another subsidiary of WPP is Young & Rubicam, Inc which is also an international advertising agency with offices throughout North America, Latin America, Asia, Australia, New Zealand, and Europe. (Reference USA, 2007). Young & Rubicam offers staff members the opportunity to gain hands-on training about an array of specialty services offered through the agency. Young & Rubicam's clients include Migros, MetLife, Chevron, Citibank, and Xerox.

Young & Rubicam's Buzz University is designed to help train and retain employees to prevent them from being lured away by outside agencies (Petrecca, 2000). Buzz University places employees in an intense cross-disciplinary program. Every month

or so about three dozen employees are taken out of their usual position and cycled in to learn other responsibilities with Young & Rubicam's diversified BrandBuzz unit (Petrecca, 2000).

### *DDB Worldwide Communications*

DDB Worldwide Communications is one of the leading advertising agencies in the world with over 205 offices in almost 100 countries (Reference USA, 2007). DDB was named Global Advertising Agency of the year for two years in a row by Adweek magazine.

DDB has made a commitment to its employees and their development through the creation of DDB University. The launch of DDBU took five years to develop. DDBU was started during the economic downturn while several other agencies were pulling money and effort out of training employees (Goldbogen, 2005). The courses offer employees an opportunity to learn as well as share best practices, inside the organization and with the outside trainers (Goldbogen, 2005).

DDBU offers courses for almost every level of employee, with courses designed for creative as well as account management areas of the agency. DDBU courses are available on CD-Rom, through the agency's Intranet, and lectures given by experts in the field (Petrecca, 2000). DDBU Director Raquel Suarez stated, "Offering learning, coaching, and the opportunity for a think tank was a way to move forward and come out of [the] downturn, and to allow employees to grow during this crucial time" (Goldbogen, 2005). Some of the DDBU courses are held all over the world in exotic locations to entice employees to attend. Travel expenses for courses out of the office are paid for by

individual offices. Each office is required to dedicate two percent of their salary budget to pay for DDBU courses (Petrecca, 2000). DDB hopes that the creation of the DDB University will help to develop their employees professionally and retain them when other companies try to recruit them away.

### *Analysis*

Table 4.1  
Global Advertising Agency Best Practices for Training Regular Employees

	BBDO	WPP	JWT	Young & Rubicam	DDB Worldwide
Coaching		X			X
Personal Development Plans		X	X		
Intranet Sources					X
E-Learning					X
Classroom, face-to-face	X	X	X	X	X
Team Development					X
Sharing within Industry				X	X
Technology Training					
Annual Goal Setting					
On-going Feedback					
Written Peripherals					

Table 4.2  
Global Advertising Agency Best Practices for Training Expatriates

	BBDO	WPP	JWT	Young & Rubicam	DDB Worldwide
Language Training					
Cultural Training					X
Product Development Teams					
Preparation Surveys			X		
Time to Prepare					
Recruiting at College Students		X			
Global Sharing					X
Practical Applications to Real World Learning	X		X	X	X
Short Training Experiences	X				
Several Training Experiences					

### *Summary*

Today's leading global organizations give a lot of value to giving young employees expatriate experiences that benefit both the employee and the organizations. It is important for global organizations to develop a systematic way of selecting individuals for global experiences in order to make them more successful experiences. As indicated by the data, there is not a lot of training in advertising agencies specifically addresses working in foreign countries.

These agencies also believe in and utilize thorough training strategies to keep their employees up to date on the latest information in the industry. The training helps to keep the advertisers informed of current trends as well as giving them incentive to stay at agencies even as they are wooed by competitors.



## Chapter V: Discussion

### *Introduction*

This study looked at the training strategies and needs of expatriates in the advertising industry to help ensure their success as expatriates. An extensive review of literature was conducted in order to find out the best practices utilized to prepare people to work as expatriates. In addition, information about the training practices of several leading global advertising agencies was reviewed to determine current training practices in order to identify best practices for conducting training in global advertising agencies.

### *Conclusions*

Some global advertising agencies are utilizing training strategies that are identified as best practices to prepare expatriates. There is very little information available about the training strategies that global advertising agencies use. It is difficult to fully determine a complete picture of the scoop of training that takes place in global advertising agencies to prepare expatriates from the literature that was available to complete this study.

Based on the review of literature for this study the following conclusions have been made about the research questions:

1. *What are important key steps to preparing an employee to work in a global company?*

An important key step to training an employee to work in a global company is to carefully select employees to be expatriates. Selecting the proper person for the assignment can have a large impact on the overall success rate of the assignment. Another key step is to train them and prepare them for their overseas experience.

Training takes time and money to do. It is important for the company to plan an appropriate amount of time to complete all of the necessary training in order to better prepare employees for what to expect during their expatriate experience.

While preparing employees for an expatriate experience, cross-cultural training including language training is important to help them adjust to the host culture. The ability to adjust to the host culture helps them to work better while on assignment. It is also important for the expatriate to have a good understanding of the company culture and work environment in order to work more efficiently while on assignment.

2. *How does training of employees affect retention levels at global companies?*

Research has shown a positive correlation between employees' ability to adjust to their expatriate experience and the likelihood of them completing their assignment (Selmer, 1995). In addition, positive support from host country natives also seems to improve the likelihood that expatriates will complete their assignments (Selmer, 1995). Training is able to help expatriates adjust more easily and quickly to their host country so it helps to increase retention levels of employees of global companies.

3. *What are important key steps to preparing an employee to work in a global advertising agency?*

An important key step to prepare an employee to work in a global advertising agency is to give the employee extensive cultural training to help them acclimate to their host country. Training should include day to day cultural interaction expectations and information to help minimize the culture shock that they experience when they first arrive. In addition, the training will help them settle into the routine of the host country more quickly.

Another important step to preparing an employee to work in as expatriate includes extensive language training. Although English is spoken throughout the world and is often considered the language of business, having an understanding of the host countries language can help make the transition to the new country go more smoothly. In addition, the workers in the new office can be more receptive to working with an expatriate who has a basic understanding of the native language. Also, having an understanding of the native language can translate directly into higher sales and winning more business which means higher profits.

4. *How does training of employees affect retention levels at global advertising agencies?*

Training employees can positively affect retention levels of employees at global advertising agencies. Training employees helps to increase their loyalty to the organization. It is popular practice in the advertising industry to recruit young talent away from agencies. If agencies provide their young employees with training and career development opportunities, they will be less likely to be pulled away by the first agency that makes an offer to them. Feeling like the agency is invested in their career and cares enough about them to give them thorough training is a large influence on the decision to stay or leave an agency. Brann Forbes has noted that their agency has been able to increase retention rates from 47 percent to 93 percent since the start of the development of their training program (Johnson, 2002).

It is also important for agencies to develop a repatriation program for employees to help them re-acclimate to the agencies after an expatriation experience. Developing a plan for how their skills they acquired while abroad helps to keep employees at the

agency. If an agency fails to recognize and make good use of the skills that the recently repatriated employee acquired abroad, the employee will often feel that their time abroad is not appreciated by the organization and seek an organization where their skills will be better utilized. Repatriation programs should be part of the overall expatriation training experience.

Table 3.1

## Global Company Best Practices for Training Regular Employees

	3M Corporation	Nokia	LG Electronics	Colgate-Palmolive
Coaching	X	X		X
Personal Development Plans	X	X	X	X
Intranet Sources		X		
E-Learning	X	X		
Classroom, face-to-face	X	X	X	X
Team Development	X	X		X
Sharing within Industry	X	X	X	X
Technology Training	X	X	X	
Annual Goal Setting	X			X
On-going Feedback		X		X
Written Peripherals			X	X

Table 4.1

## Global Advertising Agency Best Practices for Training Regular Employees

	BBDO	WPP	JWT	Young & Rubicam	DDB Worldwide
Coaching		X			X
Personal Development Plans		X	X		
Intranet Sources					X
E-Learning					X
Classroom, face-to-face	X	X	X	X	X
Team Development					X
Sharing within Industry				X	X
Technology Training					
Annual Goal Setting					
On-going Feedback					
Written Peripherals					

After reviewing the best practices for training employees in global companies for regular employment and comparing the practices to global advertising agencies there is a severe lack in training in global advertising agencies. Looking at table 3.1 with global company employee's training compared to table 4.1 with global advertising agency employee training there is significantly less training in the global advertising agencies. As table 4.1 shows, global advertising agencies need to do more to develop their employees professionally. They need to work with them to develop personal development plans and opportunities to share with others in the industry. In addition, there is a strong need of technology training and on-going feedback. Another that should be developed for more training is e-learning. As stated earlier, employee training and development can help to increase employee retention in these global advertising agencies.

Table 3.2  
Global Company Best Practices for Training Expatriates

	3M Corporation	Nokia	LG Electronics	Colgate-Palmolive
Language Training	X			X
Cultural Training	X		X	X
Product Development Teams	X	X		
Preparation Surveys		X	X	
Time to Prepare			X	
Recruiting at College Students	X			X
Global Sharing	X	X	X	X
Practical Applications to Real World Learning	X	X	X	X
Short Training Experiences		X		X
Several Training Experiences	X	X		X

Table 4.2  
Global Advertising Agency Best Practices for Training Expatriates

	BBDO	WPP	JWT	Young & Rubicam	DDB Worldwide
Language Training					
Cultural Training					X
Product Development Teams					
Preparation Surveys			X		
Time to Prepare					
Recruiting at College Students		X			
Global Sharing					X
Practical Applications to Real World Learning	X		X	X	X
Short Training Experiences	X				
Several Training Experiences					

Looking at tables 3.2 and 4.2 there is also an extreme lack of training for global advertising agency expatriate training in comparison to global companies' employee training. Again, preparing and training advertising expatriate for their experiences will help them to adjust faster and be more productive and efficient in the assignment. Global advertising agency employees need language and cultural training. In addition, they would also benefit from a careful selection process of employees sent on expatriate assignments. Finally, more effort could be made by global advertising agencies to recruit new employees from colleges.

#### *Recommendation for Future Study*

Research should continue to be conducted about the best practices for training global advertising agency employees to work as expatriates. As the economy grows and recovers from the downturn since the September 11<sup>th</sup> terrorist attacks, the advertising industry will continue to expand and change. This will make it important to continue to assess the best practices for training employees.

Future research on this subject could include surveys and interviews with individuals who work in global advertising agencies. The surveys could be done in several ways. They could assess training programs that currently exist to see if they are meeting the expectations of employees before they work abroad. Surveys could also be conducted with returning expatriates to see if the training they received before they left helped them to have a successful expatriate experience. Interviews could be conducted with returning expatriates to expand on questions that surveys could only elicit a quantitative response; more field research and field experience analysis is needed to see if training is adequate for helping to improve the expatriate experience.



### *Summary*

From a thorough review of literature this study found that there are some formal training programs established for global advertising agencies. The agencies that have training programs recognize the importance of providing strong, diversified programs in order to develop their employees and help them to be successful. The study also determined that cultural training and language training are essential components of preparing an expatriate to work as an expatriate. In order for global advertising agencies to be able to continue to grow and thrive it will be imperative for them to develop comprehensive training programs that go beyond the basics of just working in an advertising agency but also include training about the culture of the country in which the agency is located. Providing cultural training will help the employee to acclimate to their new country and help them to successfully stay for the duration of their expatriate assignment.

## References

3M. (2007). *Commitment to Diversity*. Retrieved April 21, 2007, from 3M United States:

[http://solutions.3m.com/en\\_US/](http://solutions.3m.com/en_US/).

3M. (2007). *Learning*. Retrieved April 21, 2007, from 3M United States:

[http://solutions.3m.com/en\\_US/](http://solutions.3m.com/en_US/).

Beale, C. (2006). *Navigating the ad industries latest talent crisis*. Haymarket Publishing Services

Ltd. Retrieved April 21, 2007 from LexisNexis.

Black, J. S. and Gregersen, H.B. (1999). The Right Way to Manage Expats. *Harvard*

*Business Review*. 77:2 p. 52-63.

Carter, J. (2005). *Globe Trotters*. Training. 42:8, p.22-28.

Colgate-Palmolive. (2007). *Professional Development, Career Training and Education*.

Retrieved April 20, 2007, from Colgate-Palmolive: <http://www.colgate.com>.

Craig, R. L. (Ed.). (1987). *Training and Development Handbook* (3rd ed.). New York,

NY: McGraw-Hill Book Company.

Dolainski, S. (1997). Are Expats getting lost in the translation. *Workforce*. 76:2 p. 32-38.

Dominiak, M. (2006). To Increase Productivity in Lean Times, Invest in Training.

*Television Week*. 25:15 p. 18.

Gilbert, K. (2002). Training Day. *Adweek*. 43:48, p.10.

Goldbogen, J. (2005). Live, Learn, and Prosper. *Adweek*. 46:31, p. 25.

Harris, P. R., & Moran, R. T. (1991). *Managing Cultural Differences*. Houston, TX: Gulf

Publishing Company.

- Hewitt Associates. (2005). *Top U.S. Companies for Leaders Announced*. Retrieved April 20, 2007, from Hewitt Associates:  
[http://www.hrps.org/hewitthrps\\_press\\_release.pdf](http://www.hrps.org/hewitthrps_press_release.pdf)
- Johnson, H. (2002). *Brann Forbes: Tom Cole*. Training. 39:11 p.34
- LG Electronics. (2007). *HR System-LG Global Site*. Retrieved April 20, 2007, from LG Electronics: <http://www.lge.com>.
- Lovel, J. (2005). Limited Resources. *Adweek*. 46:37, p.33-33.
- McCaughey, D. and Bruning, N.S. (2005). Enhancing Opportunities for Expatriate Job Satisfaction: HR Strategies for Foreign Assignment Success. *HR. Human Resource Planning*. 28:4, p.21.
- McFarland, J. (2006). *Culture Shock*. Benefits Canada. 30:1, p.31.
- McKegney, M. and Wentz, L. (2002). BBDO Top Globally Agency Network. *Advertising Age*. 73:2, S-6.
- Melton, W.R. (2005) The New American Expat. *HR Magazine*. 50:10, p.138.
- Merriam-Webster, Inc. (2006). *Expatriate*. Retrieved March 24, 2006 from  
<http://m-w.com/dictionary>.
- Nokia Worldwide. (2007). *Professional and Personal Growth*. Retrieved April 21, 2007, from Nokia Worldwide: <http://www.nokia.com>.
- O'Guinn, T. C., Allen, C. T., & Semenik, R. J (1998). *Advertising*. Cincinnati, Ohio: South-Western College Publishing.
- Petrecca, L. (2000). Agencies teach skill building. *Advertising Age*. May 1, 2000 71:19, p.12-12.

Reference USA. (2007). *Reference USA Info USA*. Retrieved April 19, 2007, from

Reference USA: <http://www.referenceusa.com>.

Selmer, J. (1995). *Expatriate Management*. West Port, CT: Quorum Books.

Shellenbarger, S. (2005). Separation Anxiety: Short Job Transfers Create Problems for Families Left Behind. *Wall Street Journal*. p.D1

Varner, I.I. and Palmer, T. M. (2002). Successful Expatriation and Organizational Strategies. *Review of Business*. 23:2, p. 8

Voight, J. (2003). Hire Education. *Adweek*. 44:7, p.37.

Welch, D.E. (2003). Globalisation of Staff Movements: Beyond Cultural Adjustments. *Management International Review*. 43:2, p.149