

How international experience impacts the effectiveness of executives in South Korea

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Keywords

International Business, Expatriate, Successful Executive, South Korea, Management

Abstract

Having international experience is widely understood as being effective and advantageous in both undergraduates and graduate students and more specifically in expatriates that live in other countries as well as local executives in their native country. This research specifically focuses on both expatriates and local Korean executives and how international experience has impacted their ability to work in and be successful in their positions. Although other research talks about the effects of international experience, this research focuses specifically on executives in South Korea. It is expected that as this research can be substantiated that further research can more easily be duplicated in other Asian and possibly Southeast Asian countries. It is the goal of this research to be advantageous to companies and or organizations as they choose executives to lead their companies.

Introduction

International experience is a subject that has been reviewed, studied, dissected, researched and reviewed again since the beginning of international travel centuries ago. While there are many integrating principles and theories that can be found, debated, and argued when studying international experience, in this research of international experience and the influence thereof, this research will focusing on specifically how international experience influences executives working in the South Korean economy. And on the opposite side, this research will look into those native Koreans that have not had any international experience and how it has or has not impacted their ability to be successful in their native land of South Korea. Or in their assessment, how it has hindered, if at all, their ability to be as successful as they could have been.

As there has been quite a bit of research, both published and non-published on international experience, there is very little published research that is specific to Koreans or those non-natives executives working in Korea and how international experience has contributed or not contributed to their success and if so, more specifically, how much it has or has not influenced their ability to succeed. Because of the lack of published research available, while referencing some of the published works on international business, much of the research is based off personal experiences from some of the authors, but much more from the personal interviews that have been performed to date. As this research will continue for many more months and maybe years to come, the findings thus far will be revealed.

South Korea has become incredibly diverse in many ways with more than 1.4 million there (Yonhap News, 2012); it is still quite monolithic and entrenched in its culture and background. This tends to have many unwritten impacts on how decisions are made both in and outside of executive management. As most will remember, the Korean economy really did not begin its internationalization push until the around the 1986 Asian Games, the time prior to the 1988 Seoul Olympics and then right after the 1988 Summer Olympic Games. After being seen on the world stage during a very successful Olympic bid, the world was introduced to the

savvy and aggressive culture of the Korean businessmen and the dynamic Korean business world. They would often be seen working on Saturdays and some companies even had their staff come in for part of the day on Sundays. Most employees would focus on whatever their superiors had them doing which very rarely had anything to do with international business or really anything outside their single-minded task at hand. In any given company there would only be a few international sales persons focused on selling to whomever and wherever they could. Most of their English ability was barely conversant at best and most had never spent any real international experience outside of their country of South Korea. While the focus of this study is not with only Korean executives, it is important to understand the brief background setting of when the Korean economy really began its grand entrance onto the global stage and how it has changed since then with the possible influence of those that have either come into the country or that have ventured out of Korea to gain the international experience.

This research will focus on both native Koreans and foreign executives that have or are currently working in South Korea and if and how their previous international experience before coming to Korea has influenced their ability to be successful in Korea. For those native Korean executives interviewed and or surveyed that have not had any international experience, they will also be asked if the lack thereof has influenced their ability to be successful in South Korea.

Hypothesis

While any research project is to be performed in an objective way to be non-bias and completely neutral, this research started with the belief that international experience plays a large and very influential role in the success of an executive in South Korea. However, all surveys and questionnaires were given in a way that did not direct or influence the respondent's answers. They were given very little information about the project before they were surveyed or interviewed. There is a clear assumption that international experience has not only a significant influence on those executives in South Korea, but it is almost necessary to have international experience to be influential short and long-term while working in South Korea. This is even more so true in South Korea as they so heavily depend on relationships with international companies and buyers to maintain their significant growth over the last thirty to forty years.

The assumption that international business has a significant influence on a successful executive in Korea also comes from the experience of the main author who spent more than twenty years of his adult life living in South Korea as an expatriate, speaking Korean, working in Korea and with Koreans, running multiple successful Korean companies, understanding their culture, customs and day to day activities and habits as well as most any foreigner could.

Definition of Keywords

International Experience; International Business; Successful Executives; Expatriate; Home Country

Successful Executives

Countless research exists that argue and basically look to prove and define what the working world would call a "successful executive". Without going into too many directions and working to keep this research focused the topic of how international experience influences the "success" of an executive, the research will focus on four different areas. The three areas of defining success used in this research are; one, increasing or depending at least maintaining profitability of an organization; two, ability in creating and implementing strategy; and three; fulfilling and or the expanding the understood role of an executive in that organization, including, but not limited to their ability to collaborate with partners or potential partners while maintaining or expanding the organizations influential footprint in a market segment.

First, while interviewing and surveying CEOs and/or Presidents of companies that are responsible for the “Bottom Line” of the company, consideration will be taken in measuring their success with their ability to make, keep and or maximize the company’s profitability. Although measuring the specific areas can sometimes be misleading, the company is still going to be judged on their ability to make and maintain a profit and the investors in the company are going to look at these numbers after everything else is considered. A successful executive is empowered to ensure the company stays financially sound and continues to generate profit. This will be one of the ways a successful executive will be defined.

Second, the executives’ ability to perform their specific duties in creating and implementing effective strategies will be another measuring point in defining a successful executive. For example, when an HR executive acts in their position, their actions tend to have much less impact directly on the bottom line financially, more of their role and responsibility of creating and implementing the environment or company culture they are able to develop and or create to help the company become more effective and efficient will be considered. This will be considered in relationship to the international experience that they had or could have had compared to those that did not have the international experience. This will be measured against other similar companies and/or organizations to see how they performed compared to others. Third, as globalization continues in the world, successful executives will be defined by their ability to fulfill understood or established responsibilities. The metrics to be used will be globally recognized responsibilities, but much more will be self-described and understood responsibilities as well as company established criteria. The roles and responsibilities of executives are not just limited to meet the demands of the stakeholders in an increasing global environment. For example, according to Moore (2003) the executive is responsible for creating an “authorizing environment”. In an authorizing environment, the executive authorizes and empowers employees to take action and influences them to make decision under their strategic direction. Steve Jobs, who was a CEO of Apple, describes that it is important that let the employees make a lot of decisions and run the company through their ideas by having regular meetings, rather than the typical hierarchical system management of the company (Milian, 2011).

Thus, part of the success will also be measured by the executive’s ability to create an effective environment where they are able to influence the company’s operations in developing and sharing a vision of the company’s culture. The ability of the Executive to collaborate in order to achieve the desired success will be considered. Collaboration, whether it is between employees, business partners and or customers, is an important factor in measuring their success in creating that kind of culture.

International Experience

Defining International Experience is much like defining and explaining every culture or personality that exists, or in other words, it is next to impossible. This research will use a sample of executives whose international experience ranges from less than a year to over ten years and some of even more than 20 years. Some of these individuals have lived far more time out of their own country than they have lived in their own country. To simplify the definition for the purpose of this research it will be defined a bit more narrowly as an executive that has lived outside of their home country for more than 9 months either for the purpose of studying, traveling, or working. This international activity would need to have happened for nine consecutive months and could be a combination or any or all of those three criteria.

As for all of the foreign nationals interviewed or survey they should all fall into the criteria given the fact they are foreigners to South Korea and would have all had international

experience outside of South Korea. Many of those interviewed have lived in multiple countries outside South Korea as well. This research assumes that international experience includes either acquiring or experiencing different skills, language, knowledge, networks, and ideas by residing in a foreign country. Depending on their purpose (work, school, or community-centered) of residing in a foreign country, as well as personal tendencies and habits, the degree of international experience individuals attain could differ from one another. Categorized into three previously mentioned categories, there will be as generalization of the suggested international experience individual's gain from experience in a foreign country. By including this wide range of experiences in this research it will be easier to determine how these experiences influence the effective performances of executives in South Korea.

Expatriate / Self-initiated Expatriate

Expatriate is often defined as a person who works in a foreign country, particularly by choice. According to Wikipedia, "An expatriate (often shortened to expat) is a person temporarily or permanently residing in a country other than that of the person's upbringing (Wikipedia.org, 2014). Typically, in the case of an expatriate, the company provides the employees benefits and expenses as they reside in the foreign country for a pre-determined period of time. The purposes of an expatriate can vary from assisting in company international expansion into new markets, developing local capacity, overseeing quality on behalf of the head quarters, professional career development, etc. For this research, the above suggested definition fits into the assumed definition meaning a person that is sent from or leaves their homeland or current residence to come and work in South Korea. There is one caveat with the definition of expatriate as there can be two types. It is clarified by subdividing the term into two categories – company-assigned expatriates and a self-initiated expatriate. A self-initiated expatriate is defined as an individual who is not assigned to a foreign country by a company but has instead chosen voluntarily to move to another country to work and live (Cao et al., 2012). Since a self-initiated expatriate is a personal choice to leave ones country and venture to another country, they are generally more inclined to take advantage of opportunities that exist in a foreign country and to be exposed to different cultures and events in comparison with company-assigned expatriates. This research should suggest how international experience impacts successful performances of executives in South Korea by analyzing those experiences gained from the two classes – self-initiated expatriates and company-assigned expatriates.

International Business

International business generally includes all business that takes place between nations beyond their political boundaries. As the world becomes more globalized, people focus on the benefits of collaboration and cooperation to improve their individual economies (Reference for business). Moreover, the trade liberalization and the necessity of free trade between nations is increasing through negotiating trade pacts such as NAFTA, GATT, EU, APEC, etc., whereas international trade barriers are decreasing.

Since the role of international business has expanded rapidly and plays a major role in an economic market, dealing with different cultures is becoming more and more essential. In contrast to pure domestic business, international business copes with different cultures, languages, customs and norms that can be far different from those individuals are used to. King (2014) defined international business as the process of adaptation of one business to the outside world. Understanding the differences mentioned above is a vital principle in order to generate company profits in a global market. This research will include data from small companies (less than 50 employees) to large global corporations as well, including multinational corporations, with global operations and worldwide alliances.

As global trade increases around the world, businesses will need to continually adapt to avoid additional or unnecessary risks that can be prevalent in crossing domestic boundaries. These risks include, but not limited to, government seizure, inflation, terrorism, increased labor costs, misunderstood customs and culture issues, fees associated with complying with local regulations, and the list can almost be endless. Upon international entry many companies struggle with marketing themselves in such a way that appeals to the local population and through experience of the author, an experienced expatriate or an internationally experienced native executive can be very helpful with mitigating those inherent risk or difficulties that companies find themselves in. History is replete with examples of good products failing internationally due to poor marketing and portrayal of the product or service.

Home Country

In the internet-led popularity-driven world that has been to dominate, the term "home country" has and continues to change. Wikipedia defines it as "[home country](#)" - the country in which a person was born and usually raised, regardless of the present country of residence and citizenship (Wikipedia. November 24, 2014). However, this does not consider or define how long a person would have to have lived there to be called his or her home country. For example, if a person only lived there for 6 months and then their parents immigrated to another country, would their original country be counted as their home country or would the new country be counted as their home country? This is an interesting dynamic to understand. At which point does one switch ones definition of home country. For this study, one's home country is defined as the place they graduated high school from if they did more than 10 years of their schooling there, or the country that they did more than 10 years of their elementary and secondary Education in. This specific definition of home country will help the audiences understand the purpose of this research.

Literature Review

This research will look to suggest that there is a significant relationship between international experience and the performance capability of executives of firms in South Korea. As business markets have been expanded globally, the importance of international experience of executives has increased in order to deal with dynamic changes. Much research has focused on what makes executives effective and efficient when they operate firms in the increasingly globalized markets. Catherine M. Daily, Certo, and Dalton (2000) examined the relationship between CEOs international experience and corporate financial performance. In measuring the successful performance of firms, accessing financial performance is a major principle since all private sector business pursues high profitability. In this research, generating profits to the company and pursuing high profitability as major principles of determining the "success" of executives will also be used as defining criteria (Daily et al., 2000). Thus, profitability metric will be used in determining if an executive is considered successful or not. Generally accepted profit margins can differ greatly across different markets, but for the purpose of this research the scale of at least more than a 5% EBITA profit is necessary to be considered "successful". In many markets, one will see that much higher percentages, even 15-25% increases year over year, but for this study the 5% minimum EBITA profitability as the minimum will be set. Daily talks about the benefits of having and building up a network internationally. He suggests that the development of an international network is considered one of the benefits of a CEO's international experience (Daily et al., 2000).

This research presumes that networks are the fruition of international experience that benefits overall firm operation. This will sustain the posited idea that building networks contribute values to international experience; eventually it will lead to the success of executives

in global markets. In addition to relationships between CEO international experience and financial performance of firms, Daily, Certo, and Dalton (2000) also proved that there are significant interactive effects between CEO international experience and the degree of company internationalization in measuring the corporate financial performance. Internationalization of a firm is a vital factor in operating a company, especially in the global markets. In order to deal with internationalization, executives need to understand the necessity of multidimensional changes to adapt to the new environment and manage negative effects. This research suggests that international experience provides valuable skills and knowledge, and these allow executives to perform effectively and efficiently in coping with company internationalization. Executives' international experience, their financial performance, and company internationalization have a correlation with each other (Daily et al., 2000), and this reinforces the hypothesis -- international experience impact successful executives. Also, since this research targets on specifically South Korea-based corporations, it will be tested out how cultural understanding, which is acquired by international experience, plays an important roles in success of executives' performance in South Korea.

There are limitations on conceptualizing international experience, which is varied depending on individuals' capacity and desires. The lack of theoretical and integrative frameworks in conceptualizing international experiences is one of reasons (Takeuchi et al., 2005). It is vital to conceptualize the source of international experience in order to use international experience as a variable in examining hypotheses. In Takeuchi's research, he organized international experience into two dimensions -- domain and cultural specificity -- domain indicates work and travel, and cultural specificity indicates U.S. and non-U.S. (Takeuchi et al., 2005). Domain is basically divided into two parts depending on how the executives gained international experience. Also, cultural specificity tells whether international experience is cultural specific or non-cultural specific. However, the research uses three dimensions that address work, study, and travel, rather than using two dimensions - work and travel (Takeuchi et al., 2005). The research assumes that the experience of studying in a foreign country brings different experience than working experience. Living and studying in a foreign country provides people with more opportunity to immerse in its culture, also it helps them to understand its cultures and values in depth throughout learning process in institutions with peers. The research also categorizes the setting more narrowly as Korea and targets both non-Koreans and Koreans who lived outside of Korea for over 12 months. Through the examination, the research examines how culture plays a role in accessing the relationship between international experiences and effective performances of executives.

There are many researches that argue about the relationships between international experiences and executive's work performances. However, there are limited studies that argue about the relationship between international experience and that focused a sample on a specific country, especially South Korea. Selmer (2002) examined the relationship between expatriates' previous international experiences and their ability to adjust to their work based on the setting in Hong Kong. Her research does not argue directly about the thesis that is being argued, and slightly differs from this study; however, she examined the relationship between international experience and the level of adjustment that affects the overall job performance. Adjustment to the new environment is one of components that facilitate executives' capacity to operate firms effectively in a foreign country especially in a global market. On the other hand, failing to develop international experience for executives causes of inability of international strategic initiatives, lack of ability to create markets, or lack of building networks in the work assigned country, etc. (Takeuchi et al., 2005). Selmer (2002) used the survey for their method to evaluate

the thesis about expatriates' international experiences and their degree of sociocultural and psychological adjustments through specifying their sample to Hong Kong. Hong Kong has similar cultural traits as South Korea such as language, food, people, history, etc. Moreover, both countries belong to the same Asian cultural sphere and they were influenced by the Confucian culture.

This implies that cultural distinction also plays an important role in accessing the relationship between international experience and executives' performance. As one of Selmer's (2002) tentative conclusions, she found that culturally related international experience impacts on both effective work adjustment and sociocultural adjustment. How well the executive adjusts to and accepts the different cultural experience would lead to their successful work performance. Adjustment is one factor of qualifications that executives need to have in order to perform their duty effectively in a foreign country. Through comparing with expatriates who had been in Hong Kong for several years and had experienced different culture in Hong Kong and the newcomers who do not have enough cultural experience in Hong Kong, Selmer (2002) proves the positive relations between international experiences and their effective work performance.

Other research shows that international experiences enhance overall CEOs' performance. Slater and Dixon-Fowler (2008) argues that CEOs play a significant role in making corporate social performance, which is "a firm's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes". Social performance is regarded as an important part in order to increase the company value in a global society and social value is critical to increase benefits to the company. This research, one of elements of measuring success of executive is to fulfill their duties and roles effectively. As the international business markets is expanding, executives' duties and roles are also expanding and social performance of firms needs to be considered. Social performance, which is influenced by executives' experiences, philosophy, values, background, personalities, etc., affects the overall company vision, strategy, eventually company performance (Slater and Dixon-Fowler, 2008). The results of Slater and Dixon-Fowler's study (2008) show that individual CEOs' international experience affects corporate social performance and corporate social performance ultimately contribute on company's effective performance. The positive relationship between international experience and corporate social performance supports this research thesis that international experience impacts successful executives in South Korea.

In the book, "*The Effective Executive*", Drucker (2007) suggests several essential factors to carry out an executive job effectively. The author defines "executives" as workers in their position to make decisions using their knowledge, skills, ideas in their work that have significant impact on their performance and results of the whole company. Moreover, executives influence employees to make decision. Executives' capacity and ability definitely impact setting goal and strategies effectively decisions which aims to generate highest profits to the company. How to expand knowledge. Skills or ideas? The author insists that effectiveness can be learned. Drunker (2007) states that people motivate to self-development through their standards, habits, and climate. These are acquired by systematic, focused, purposeful self-training of the individuals. In this research, it is argued that international experience, through working, studying, and traveling, allows individuals more opportunities to interact with others, to develop a deeper understanding of other cultures, to learn knowledge and skills. Also, he argues that effectiveness can be learned through following steps- managing of time, choosing what to contribute to the particular organization, knowing where and how to apply ones

strength to best effect, and setting up the right priorities (2008). These distinctive skills contribute executives to make decision and accomplish their tasks effectively.

Many researches previously have shown the relationship between international experience and executives' job performance, but there are limited studies to sample to Korea. Scholes (2003) describes the importance of training and education of executives in global organizations for minimizing culture shock and maximizing the manager's effective and efficient work performance in Korea. Geert Hofstede in Scholes's article (2003) used Hofstede's Model of National Culture as a guide to show the uniqueness of South Korean business and its culture. Hofstede explained the uniqueness of the Korean culture - Confucian society, collectivity, nurturing orientation, etc. - and he explained that successful executives in the organizations have good skills and they perform to high levels of their works. According to Hofstede (2003), he identifies that culture consists of social norms, folkways, values, which are learnt naturally by inhabitants. Understanding different culture is predictable through acquiring international experiences as Drucker says, "Behaviors and responses within a culture become predictable." International experience provides individuals opportunities to learn diverse culture when they reside in a foreign country. In the international business, all commercial transaction takes place beyond their boundaries, thus understanding cultures, including values, social norms, etc. are critical to interact and transact with partners. Also, understanding of interpersonal and cultural differences will contribute to competitive advantage in order to maximize the executives' effectiveness and efficiency working in a different culture. Eventually, the article proves that understanding culture is important to achieve best outcomes to the company. Culture is predictable by learning and training. International experience provides individuals opportunities to learn and train its culture by working, studying, and traveling. Understanding Korean culture benefits to the firms to achieve high profitability.

This research examines the relationships between international experience and the effectiveness of executives' job performance in South Korea. In order for one to understand how international experience helps oneself in South Korea, it cannot be overlooked, the uniqueness in culture differences, Economic Trends and different ways that South Koreans do business, some of the Do's and Don'ts, and many other things that can often be seen only in South Korea.

In order to examine how the relationships between two variables affect executives in South Korea, analyzing of cultural differences are necessary to be measured. According to Culture at Work, broad-brush cultural differences are described as two categories - high context and low context. High context of cultural differences shows that people have close connections over a long period time and they have long-term relationships. The long-term relationships make most members know what to do and what to think rather than explicit communication, written, or formal information. In this regards, knowledge is circumstantial. High context is shown usually in a hierarchical society where decisions and activities conduct focusing on a central person who has authority. It is difficult to enter for foreigners because foreigners have internal information and a long-term relationship with people in a society. Low context on the other hand relatively is easy to enter. In the societies of low context, people are able to have many connections for shorter time. People in this society play by external rules and their connections establish with specific reasons. Also, knowledge is codified and accessible, and cultural behavior and beliefs are explicit. This culture possessed individualism rather than collectivism.

South Korea is one of the most homogeneous countries culturally, racially and linguistically. Korea has its own culture, language - Hangul -, dress - Hanbok -, and food (ediplomate 2014). They do not need verbally explicit communication or formal information in

order to interact with others. Also, Korea is historically an agricultural society, which means that Korean life has centered on tight-knit families (PBS). And developed social hierarchy. This affects people to tie strongly based on their clan of their family history. Even in globalization where there are increasing numbers of exporting and going abroad to work, study, and travel, a 2008 survey reported that 42 percent of respondents had never once spoken with a foreigner (Choe 2009). This shows that South Korea has strong boundaries which make outsiders do not enter the society easily. Korea also influenced by the Confucian system, which was imported from China. For example, at dinner the eldest person sits first and eats and drinks before anyone else can begin. Anyone older must always be addressed with honorifics. Younger people never call older people by their first name. Also, between younger people and elder people, direct eye contact is regarded as an impolite behavior. Most of aspects of Korean cultural behavior are not explicit and differ from circumstances. By categorizing cultural differences between societies – high context and low context--, one can analyze Korean culture accurately.

Scholes (2003) explained the importance of training and education in international organizations for expatriates in order to minimize culture shock and maximize their effectiveness and efficiency of job performance in a different culture by using Geert Hofstede's Model of National Culture. Geert Hofstede's Model of National Culture illustrated the dimensions of South Korean culture with implications for the expatriates based in South Korea. Scholes analyzed Korean culture by five facets – collectivism, higher power distance, nurturing orientation, high uncertainty avoidance. Hofstede defined culture as "The collective programming of the mind which distinguishes the members of one group from another." Programming of the mind indicates the mores, values, and folkways, which affect people's behaviors in a society. Scholes (2003) viewed that the mores, values, and folkways are learned; on the other hand, those are acquainted by education or experience. Eventually, they are predictable. Interpersonal and cultural understandings are important and contribute to competitive advantages in global organization when executives perform. Expatriates face these cultural differences in a foreign country. Depending on the degree of their understanding and how they adjust promptly to the changes, they are able to carry out their tasks effectively and efficiently. In order to adjust to the new environment and changes, flexibility is an essential factor. This research argues that flexibility is one of the most important attributes that executives should possess especially in international business. Hermann (1995) compared leaders as fire fighters who respond to what is happening in the environment. They are required to be flexible to initiate change in a dynamic environment. Expatriate executives face the cultural differences, as Scholes (2003) illustrated above, in dealing with their business partners, contracting, training local employees, etc. Leaders who feel more comfortable and perceive engaging in change perform their jobs effectively and efficiently (Hermann 1995). Interpersonal and cultural understandings are acquired by international experience. This research explores that international experience fosters the ability to be flexible to changes.

This research argues that international experience fosters people to be creative in their problem solving process (Maddux et al. 2010). They conducted two experiments on the relationships between international experience and creativity. First, with providing a candle, a pack of matches, and a box of tacks, 220 MBA student are asked to attach the candle to a cardboard wall so that the candle burns properly and does not drip wax on the floor. These questions required the creative ideas to solve the problem. The results of the experiment showed that sixty percent of student who had previously lived abroad solved the problem compared with forty-two percent of students who had not lived in a foreign country. The result turned out that there is no interaction between spending time for traveling abroad and creativity. Second

test was called the Remote Associates Task. Students were asked to answer with a word that is associated with all of three word that were shown. The results showed that there is a significant relationship between creativity and international experience. (Maddux, Galinsky, and Tadmor, 2010) gave an example of Israeli managers who work in Silicon Valley. The managers had incorporated both Israeli and American cultures into their personal identities. The results showed that they had better reputations and promoted faster than other managers who worked with one culture. Also, the results showed that there is a significant correlation between interacting with locals and local institutions and creative. This research will conduct a survey to evaluate the relationships between international experience and the effectiveness of executives' job performance. Creativity is also another aspect used as one of important elements to measure effectiveness of their job performance. These two experiments and the example will highly support this thesis -- international experience impacts successful executives in South Korea.

It has been suggested that one year of international travel can be compared in experience and value to a four-year degree. Although, that may be an exaggeration in some points of this example, it does suggest that international experience does carry some value. The question is just how much. Maddux, again, in their extensive research suggest that international experience as well as one that can identify with more than one nationality are "are better problem solvers and display more creativity" and even more suggestive than that was that their research found "found that people with this international experience are more likely to create new businesses and products and to be promoted" (Maddux, Galinsky, Tadmor, 2010). This research shows that international experience is not only valuable, but can clearly show the importance and almost necessity in dealing with international business.

Current Research: Interviews, Surveys

Interviews, surveys and many meetings gathering current and the most up to date information with executives in South Korea have been taken place for that better part of two years. This research, although documented up to what has been confirmed, is one that will probably be ongoing for years to come. These interviews have been conducted, some official, some unofficial, but all frank and very purposely never steered for the purpose of getting the answer the author desires, but really understanding the thoughts of those providing their insights, perspectives, and experiences. These individuals, most of who still reside in Korea, although some have since left, have all lived either 9 months or more in another country or have worked for more than 9 months in their native country. Or are native to South Korea and have never left the country. Age, sex, financial status nor varying amounts of experience were criteria considered by the author in compiling this data.

Before divulging the specifics outcomes, quotes and other information from the interviews and surveys, it is interesting to see the specific words that those interviewed used to describe the benefits of a person who has gained international experience. While no one suggested that those with international experience have all of these values combined, they are mentioned over and over by many of those interviewed. These words include, but are not limited to: Global Mindset;Flexibility;Creativity;Find another way to do things;See things differently; Unique Experiences Right vs. Wrong vs. just being different; Possible Growth; Understanding People's Expectations; Become more effective, Become Promoted; Different ways to do things efficiently and effectively.

While executives from multiple fields of business were interviewed, more than seventy-five in all, they surprisingly had quite similar thoughts and experiences. When discussing specifics with Steve McKinney, CEO of a prominent executive search firm in South Korea, he was quite specific in telling that given the understood importance of international experience

with many of the foreign and national firms in South Korea, it is not uncommon for individuals to falsify or lie about the amount of their international experience and what exact international experience they had. Without revealing the individual of company, he said that he has had to become quite savvy in confirming and re-confirming the candidates international experience and find out just exactly what kinds of experiences they had internationally. Steve continued saying "International Mindset is one that is vital to many Multinational Companies given their need to be as flexible, creative, and able to work with multiple personalities from the get-go." He continued to explain that the more you understood about the individuals experience you could better understand their ability to adapt and adjust where necessary. (McKinney, 2013)

Many executives spoke about ethics and the different way some of the executives dealt with it. They also spoke on seeing things "through many different shades of glasses" (Buckwalter, 2013). Brad Buckwalter, the President of ADT Korea spoke specifically about both of these issues sharing a story executives like him run into. He related a situation dealing with the "multiple shades of glasses" when he was working with unions in South Korea, he was only able to deal with them effectively because of his multiple years and multiple countries that he had worked in and dealt with. He said that with his "extensive cultural background knowledge and internationally developed ability through many years of living abroad he was able to work with both the unions and the Head Quarter" in the United States (Buckwalter, 2013). While he said that is often not a black and white answer and while their might be different "shades", there is still can be found a right and a wrong choice that executives often get to make. Without mentioning the organization, there was a large deal for him and his organization that the opposite party looked to receive a bribe in order to make the deal happen. Brad was in no way going to do anything of the sort and ended up losing the deal because of his unwillingness to break his standards and more so the law (Buckwalter, 2013). Buckwalter confirmed that no deal was ever worth compromising ones values and standards to make happen. Although executives can see these things happen quite often, it is one that most interviewed avoid at all cost. It can be seen in the Encyclopedia of Business, 2nd edition about this exact thing, stating

Bribery and Related Practices

There is the issue of ethics in international operations. Managers must know when they are confronted with the subtleties of legal and illegal payments, for instance. In some countries, bribes in the form of money or valuables given to influential people are common. In such cases, international managers may be torn between U.S. law and foreign culture. (Encyclopedia of Business, 2013)

As many native Korean executives interviewed that had never had any real international experience werestill extremely talented, smart, savvy, and regarded by their peers as incredibly successful, but that they often wonder how much better they would be, or if it would have mattered at all if they had international experience. One interviewee in particular mentioned this multiple times in the interview. Kim, Jin-Yoo, founder, President and CEO of White Information Systems is considered by many peers and businesspersons as one of the more successful entrepreneurs and businessman they know. He started his company from scratch and now employees more than 120 employees with revenues over one hundred million dollars. He has literally left Korea less than 5 times in his entire life. Without being steered in any specific direction with questions, he offered the suggestion that if he would have had more international experience, his company could have possibly become a 500 million to 1 billion dollar company (Kim 2013)

He states;

“Although we do well in the Korean market servicing the top 500 fortune Korea companies, beating out SAP and Oracle every time we compete, we are unable to do that internationally. I believe it is because I do not think in a way that will lead us there nor have I been able to hire an executive that can take us there.” (Kim, 2013).

While international work experience has also proven beneficial and even some say “vital” in their suggested success, many point to their international education and related experiences that has influenced their success. Kim, Tae-Sul, the President of HP Korea suggested that although he had been to many countries living and working there, some with his family, some without, that it was not until he went at an older age to study again, only for 12 months, in the United States that he really felt he was able to gain really valuable international experience (Kim, Tae-Sul 2012). He suggests that because he was so focused on the “work at hand” and now meeting with, working with, and dealing with others that he did not get all of the benefits of his international experience. Kim suggested that when he was self-expatriated to another country that he took real interest in learning and experiencing all that he could while being abroad. With this knowledge, he said “I’d like to re-do those past experiences again and wonder how much better of an executive I could have been” (Kim, Tae-Sul, 2012).

Mr. Yoo, Byung-Suk, the former president of Nuskin Korea/Japan mentioned a very similar thing about his education (Yoo, Byung-Suk, 2012). He said:

“The experience of working briefly in the US had opened my eyes, even from early in my career. However, the experience I had going to school overseas has been invaluable in preparing me for my role at Nuskin and conducting business both inside and outside of S. Korea.” He continued; “There is no way that I could have done what I have done and more importantly understood the people that I work with around the world not having my international educational experience.” (Yoo, Byung-Suk, 2012)

One debatable aspect of international experience discussed amongst many of the executives interviewed is that argument that international training was similarly as effective as international experience. Mr. Kang, Myung-Phil, LG Gas, Sr. Director, offered the perspective that while never living outside of South Korea for any significant time that his company emphasizes the need for their employees to participate in all of the international training possible (Kang, Myung-Phil, 2012).

He said:

“Although I have never lived outside of Korea, our company has taken us on many training and cultural outings that have helped us understand our counterparts and more so how to be more creative. In Korea we are taught in a dictatorial way and that does not go well with most cultures and most business situations. The Korean workforce, although still very much Korean has changed greatly in their ability to be flexible and not just do the normal things.” When asked if he would take the chance to work overseas, he said “yes, I think that is the only way I will be highly promoted.” (Kang, Myung-Phil, 2012)

It was interesting how he felt that in order to be “highly” promoted that it would take a significant international experience for him to reach that. When asked if the lack of another language was an issue, he said, that much more than language, it was the international experience that helped executives in his company not only be more successful, but to get promoted much quicker as well (Kang, Myung-Phil, 2012).

Multiple international experiences can cause some very unique experiences. One particular interviewee has worked for the same company in multiple countries before coming back to work as an executive in his native Korea. Lee, Chang-Pyo, currently the Windriver

Company, Country Manager as previously worked for Motorola in the United States, Europe and in South Korea. He stated that there was one company, a very similar kind of product, but working in different countries made it almost seem like it was all different companies he was working with. He could clearly see the need for having expatriates to help keep the company culture and ideas more similar across the borders, but he also talked about how important it was to have those expatriates or executives to have international experience before they are given those higher leadership positions (Lee, Chang-Pyo, 2012). He said the following:

“Having previously worked for Motorola in Europe, Korea and the US, I learned that although it is the same company, each office is very different. They make the same phones, but everything from Sales to HR, R&D and even the Senior Management is different and it really has to be to make it successful in those individual countries. The only thing that stayed constant was our mission, but other than that, it was all very different. The international experience taught me that I did need to work with each country and person from those countries different if I wanted to achieve my expected outcome.” (Lee, Chang-Pyo, 2012).

Learning how others work most effectively has proven to be a valuable skill in terms of helping those around you or that work with you to be a productive as possible, especially in a leadership/executive position. Koreans tend to have the faster is better attitude in many instances. Many think the faster they can speak English, the better they are at speaking it. As most linguistic scholars will tell you that this is most often not the case, especially with those at the beginning level, one particular native Korean interviewee experienced this exact thing as he learned to work with foreigners abroad before coming back to work in Korea. Mr. Lee, Jong-Oh, Elson Co. President, workin Germany for many years as an expatriate for a large Korean conglomerate and stated;

“As I worked and lived in Germany, I learned a few things that have greatly helped me in my business here. I learned that the rate and which you are able to disseminate information and then make a decisions and then move on to the next task greatly determines how effecint and effective you can be as not only an executive, but also a general employee.” (Lee, Jong-Oh, 2012)

He went on to explain that he learned a lot from Germans in the way they would “take an issue at hand, quickly recognize, assess, and determine possible outcomes and then act”. But the key he emphasized was to have someone there during the assessment time with the critical information to make the right decisions. He went on to say that; “Koreans typically will move quite fast, but do not always take all of the important variables into consideration to understand the consequences certain parts of some decisions and how exactly they will impacted.” He said, “Learning that point alone was worth the time, expense and uneasiness of living abroad.” (Lee, Jong-Oh. 2012). This point is also suggested and emphasized in Drucker’s Book, *The Essentials*, Ch. 13. Effectiveness must be learned. Here Druckertalks how about you can have all of the intelligence, creativity and knowledge in the world, but without effectiveness to turn all of the effort into results, it does not matter (Drucker, F. Peter. 2007). Thus, this in another example of how this research suggest and continues to show that often international experience can often offer a quicker learning curve in many situation, sometimes fostered out of necessity, that may not be warranted in ones native country alone.

One of the very interesting interviewees was Mr. Park, Ki-Seok, the chairman of Sigong Group including Sigong Tech, Sigong Media and three or for other sister companies to them. His take on how international experience affected his ability to lead as an executive was

unexpected. He was of the opinion that while it was good to see how others were different, it was just as important to see how they were the same. He said:

“Working in the Middle East gave me the understanding of not only international business, but help me to understand that although cultures and people are very different, they are also very much the same. With this understanding and more so through understanding of how other think very similar to me that I can find a sense of peace and easiness in working with others that I do not think I would have ever have learned otherwise.” He continued saying “given that people are so similar, it makes it possible for me to meet any foreigner from around the world and REALLY communicate with them as they are so similar to me.” Mr. Park was then asked more about communication and speaking with other where he replied “in working abroad I learned that most communication is outside of your words and although they may not understand your exact words, they more often clearly understand your meaning and more importantly your intentions”.

An interesting example that the author experienced specifically with Mr. Park was during a very high-level business meeting between his company and a 7.5 billion dollar international company. The larger 7.5 billion dollar company continued to meet and negotiate in a way that was quite unprofessional and ineffective in the opinion of Mr. Park. The subsequent meetings they had, Mr. Park would only then use a translator to convey all communication although he spoke quite conversantly in English. The message was conveyed quite clearly to the larger company that he was not going to wait around for them to make a decision and the deal was brought to the climax quite quickly without ever saying the exact words. The tact and the way the words were spoke, without saying the exact thing seemed to be much more clear in an international setting than it would have been said in a very direct manner.

Ridgeway Burger and Smith, in their case study of “Non-verbal cues and status: an expected approach. Clearly states this and more speaking of non-verbal clues. (1985) Mr. Park found it clearly learned in his two years of international experience of working in the Middle East rather than working the many years he did in his own country of South Korea.

Conclusion

As stated previously, there are many reasons pointed towards the need for and the benefits of international experience as it plays a significant influence of executives in South Korea. While this research has only begun to scratch the surface in understanding more clearly as to exactly why this phenomenon of international experience is so important and is there a way to better understand, for the Korean executive, exactly how international experience can and should help them, this study has clearly suggested specifics on how international experience can benefit those that participate. One of the most interesting benefits of international business that almost every person interviewed brought up on their own was that positive influence it has on their ability to network. Living abroad requires you to do things you may not every need or want to do. Just to get by taking care of the basic things of life you are forced to talk to, communicate with, and interact with people with all kinds of personalities, opinions, agendas, etc.

While many people suggest and it is often heard that “it does not matter what you know it matters who you know”. The interviews of this research have suggested that it “does not matter what you know and does not really matter who you know, but it really only matters who

you know and what they will do for you". And through international experience, one gains an amazing ability to expand their network and learns to get people to do things from them. While many assumptions were made prior to the literature reviews, interviews and surveys conducted, the broadness in which this international business subject matter and the benefits covers and the many different ways it can not only impact the success of an executive, but the individual themselves, it shows there were many more things learned and doors of wonder opened with international business as well as the extreme need for this and many other similar research projects like it to be conducted in South Korea and possibly other countries as well. Thus, in conclusion, international experience clearly shows an advantage to being an effective executive in South Korea. first and foremost, one hundred percent of the Executives interviewed said so, even the ones that did not have it. Second, it was clearly shown and said by many that international experience helps one learn "things one cannot be taught!". Third, international experience helps one being creative and finding many ways to solve a problem and solve it even quicker than you normally would or than other could. Fourth, International experience improved ones ability to think outside of the Box. Fifth, international experience helped one understand that it is generally not wrong, just different. Sixth, international experience helps one to utilize a network outside of their own, thus, "networking in a way outside the norm".

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