

ARE OUR REFERENCING ERRORS UNDERMINING OUR SCHOLARSHIP AND CREDIBILITY?

THE CASE OF EXPATRIATE FAILURE RATES

Anne-Wil Harzing

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Dr. Anne-Wil Harzing
University of Melbourne
Department of Management
Faculty of Economics & Commerce
Parkville Campus
Melbourne, VIC 3010
Australia

Email: anne-wil@harzing.com
Web: www.harzing.com

ARE OUR REFERENCING ERRORS UNDERMINING OUR SCHOLARSHIP AND CREDIBILITY?: THE CASE OF EXPATRIATE FAILURE RATES

ABSTRACT

This article suggests twelve guidelines for good academic referencing. Using a citation network of 60 references on expatriate failure rates as a case study, I show that all of these guidelines are violated in published research. Inappropriate referencing can lead to self-perpetuating myths as it has done in the area of expatriate failure rates where the firmly entrenched myth of high expatriate failure rates is shown not be substantiated by any empirical evidence. The implications of this for both academics and practitioners are discussed. It appears that inappropriate referencing might actually be undermining our academic credibility.

INTRODUCTION

Academics and practitioners alike turn to academic articles as a reliable source of knowledge. An important aspect that distinguishes academic articles from more professional articles is the care that is taken to substantiate claims and arguments, often by referring to other literature in the field. Or at least that is how we would want it to be. About five year ago I wrote the article: “The persistent myth of expatriate failure rates” (Harzing, 1995), arguing that high expatriate failure rates were in fact a myth created by massive misquotations and careless copying of references. The article was written during my PhD studies and was borne out of sheer amazement and indignation that serious academics seemed to get away with something students at all levels were warned not to do. I also innocently believed that after my article was published things would improve. Unfortunately, they hardly did and the myth of high expatriate failure rates seems to be as firmly established as ever.

This observation induced me to explore the practice of academic referencing in more detail in this article. A first section suggests twelve guidelines for good academic referencing. Using a case study of a citation network of 60 references on expatriate failure rates (EFRs), I demonstrate that each of these guidelines is often violated in published research. Subsequently, the potential harmful consequences of inappropriate academic referencing are discussed, again using the network of expatriate failure rate citations to exemplify the problem. I would like to emphasize that the criticism raised in this article only concerns the way in which authors handle data, references and referenced data with regard to expatriate failure rates. The criticism *does not* extend to their overall research efforts, which might be, and in many cases are, extremely valuable. I would also like to add the caveat that it would be all too easy to blame a few individual authors for the creation of the high EFRs myth, but to do this would negate the more general problem of inappropriate referencing. Because of my own research interests, I chose to focus on the EFR network as an example. The general problem of inappropriate referencing, however, might very

well hold for management research as a whole. The final section of the article therefore looks at the implications of the identified referencing problems for both academics and practitioners and argues that inappropriate referencing might not only distort a body of knowledge, but might also undermine its academic credibility and practical applicability.

TWELVE GUIDELINES FOR GOOD ACADEMIC REFERENCING

This section suggests twelve guidelines for good academic referencing and discusses to what extent these guidelines are followed in published literature. It uses the EFR citation network as an example. Whereas the guidelines initially (and hopefully) will appear self-evident, the constant pattern of their violation, which will become evident in this paper, warrants their reiteration. The twelve guidelines are summarized in Table 1.

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Table 1 about here
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An extensive literature review revealed a citation network of 60 publications citing expatriate failure rates.² These studies either implicitly or explicitly define expatriate failure as the expatriate returning home before his/her contractual period of employment abroad expires. Figure 1 gives an overview of the citation network for EFRs in developed countries.³ With a very few exceptions, studies in this citation network cite high to very high EFRs, with commonly cited figures in the region of 16-50% for developed countries.

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Figure 1 about here
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Guideline 1: Reproduce the correct reference

The very first expectation from an academic reference is that it correctly reproduces the publication details (name of author, title of article, year etc.). Apart from the occasional misspelling of an author’s name, references in the EFR citation network generally do not fail in this basic

requirement. The only major violation of this guideline concerns a reference to my 1995 article. Florkowski and Fogel (1999) inaccurately reproduce the title of this article as “The persistent myth of high expatriate **adjustment**”, instead of “The persistent myth of high expatriate **failure rates**”. The former certainly better supports the statement that the authors erroneously ascribe to me (thus violating guideline 6). Florkowski and Fogel (1999:786) credit me with the following statement: *“Even if it is not acted upon, the desire to return early should be classified as a form of expatriate failure - one that may be more damaging to the MNE than is premature repatriation (Harzing 1995)”*. Although I would not necessarily disagree with this statement, it was not mentioned in the 1995 article referred to and certainly was not the main message of that article.

Guideline 2: Refer to the correct publication

Another basic requirement for good academic referencing is that the publication that is referred to is indeed the one that includes the information in question. In this case referrers correctly identify the referenced authors and correctly represent their message, but refer to the wrong publication of the authors in question. Landis and Wasilewski (1999) discuss 18 areas for productive future research in intercultural practice, one of which relates to the question: “Do Almost All Overseas Managers Really Fail?” They credit Hofstede (1997) with the statement that this figure is built on a rather nebulous base, but this statement was actually only published by Hofstede in 1998 in another journal.⁴

Guideline 3: Do not use “empty” references

“Empty” references are references that do not contain any original evidence for the phenomenon under investigation, but strictly refer to other studies to substantiate their claim. Other authors subsequently use these “empty” references to substantiate their claims rather than going back to cite the original source. “Empty” references can go through several generations with each subsequent author citing “empty” references that in turn cite other “empty” references. The large number of “empty” references is a particularly striking feature of the citation network for

EFR. Three citation chains, for example, each go through three “empty” references before coming to the final sources of their data (Ashamalla, 1998; Mendleson et al. 1997; Morley et al., 1999).

Interestingly, these three publications support three different EFR ranges (25-40%, 20-40%, and 20-50%), but in the end all refer to Tung (1981), who as we will see below cites failure rates of 5-15%. If all articles with “empty” references would be excluded from the EFR citation network, the number of articles in the network would be drastically reduced. Figure 2 reproduces the EFR citation network as shown in Figure 1, but excludes all articles with “empty” references. The result is that the number of publications in the network drops from 60 to 21.

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Figure 2 about here
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“Empty” references, however, do more damage than simply not adding any original data. First of all, they can “update” a reference by citing a later publication that cites an earlier publication, while it is the earlier publication that reports the original data. Ashamalla (1998:54), for instance, indicates that: *“According to a number of **recent** [emphasis added] studies, the rate of failure among American expatriates ranges from 25 to 40% depending on the location of the assignment (Dumaine, 1995; McDonald, 1993, Ralston et al. 1995).”* In the cited *Fortune* article, Dumaine (1995) states that according to the Centre for International Briefing, roughly 25% of American managers fail overseas. He does not, however, offer any reference or details that would allow us to verify the reliability of this information.⁵ In the second cited article, McDonald (1993) simply refers to two articles in the mid-eighties (Mendenhall and Oddou, 1985; Mendenhall, Dunbar and Oddou, 1987) that do not contain any empirical evidence themselves and refer to even earlier articles, none of which provides solid proof for the 25-40% claim. In the third cited article, Ralston et al. (1995) cite only one reference: Tung, 1981, which, while including original data, again lends no support to the 25-40% EFR. The most recent empirical evidence that Ashamalla actually cites, therefore, is found in Tung (1981), a publication that does not support the high EFRs that Ashamalla refers to. Unfortunately, who could blame the innocent soul who - after reading Ashamalla (1998) - is

convinced that there is recent empirical support for high EFRs and continues to spread that message.

Guideline 4: Use reliable sources

We might expect academic articles to use reliable sources to substantiate their claims. That means when specific figures are quoted and references are used to support these figures, we would expect these references to contain solid empirical evidence for the quoted figures. In the EFR citation network there is a substantial number of publications that *does* mention original EFR figures. However, these publications do not offer any substantive evidence for the figures they cite. Early examples of such omissions were discussed in detail in my original 1995 article, with none of them appearing to base their figures on empirical evidence (see Henry, 1965; Business International, 1970; Desatnick and Bennett, 1978; Lanier, 1979; Misa and Fabricatore, 1979; Holmes and Piker, 1980; and Copeland and Griggs, 1985). All of these earlier publications either appeared in textbooks or in professional journals and as such can be hoped to conform to academic standards in terms of substantiating their claims, but, unfortunately, cannot be expected to. However, *all* of these earlier textbook and professional journal publications have been cited extensively in subsequent *academic* articles to support the latter's claims of high EFRs.

In addition to these earlier references, there are six additional articles published between 1992 and 1995 that mention original EFR figures, but were not included in my earlier study. What these six articles have in common that none of them was published in an academic journal and one (Fuchsberg, 1992) was only a newspaper article. None of the additional six articles provides any more evidence for the EFR figures they report - which range from 5% to 10-45% - than such vague phrases as "*most experts agree that*" (Solomon, 1994), "*according to various surveys of expatriate attrition*" (Wederspahn, 1992), "*according to a number of recent studies*" (Swaak, 1995), "*typically employers stress...*" (Fuchsberg, 1992), "*According to the Centre for International Briefing*" (Dumaine, 1995) or simply stating the reported figures as an absolute truth without any substantiation (Shilling, 1993). Given the lack of evidence, none of these six articles, nor any of these mentioned earlier, has a

legitimate role to play in substantiating high EFRs. They should be valued and accepted for what they are - journalistic writing - and should never have been cited as support for high EFRs in *academic* articles.

Guideline 5: Use generalisable sources for generalised statements

When publications are used to support a generalised statement such as the fact that EFRs are quite high, we would expect these publications to contain evidence that is, at least to some extent, generalisable to the population of expatriate managers as a whole. In the EFR citation network, a small number of articles published between 1976 and 1982 (Prasad and Shetty, 1976; Edwards, 1978; Harris and Moran, 1978 and Torbiörn, 1982) *do* contain EFRs that seemed to be based on actual data. However, three of the four articles focus on limited, highly idiosyncratic samples: American executives in Japan in the early 1960s (Prasad and Shetty), one firm with a hospital management contract (country unspecified) and an American construction contractor in Saudi Arabia (Edwards)⁶ and two American MNCs operating in Iran in the late 1970s (Harris and Moran). Of course the fact that these publications are either textbooks or articles in professional journals means that they cannot be judged according to academic standards. Of more serious consequence, they are referred to in support of high EFR by articles published in academic publications. A final study of Swedish MNCs by Torbiörn (1982) is slightly less idiosyncratic, since it includes a larger number of companies and host countries. According the author himself, however, his figure of 25% EFR might not be representative, because the results were heavily influenced by the fact that some large companies (that accounted for a large proportion of the expatriates in his sample) experienced a high EFR in some of their projects abroad. (Torbiörn, personal communication, 9 August 1995). The samples in these four publications would seem to be too limited – they usually discuss just one or two companies – and too idiosyncratic – they usually focus on just one host country – to be used as generalisable evidence of high EFR. Furthermore, Tung's study – that was first published around the same time and was based on a

much broader sample – reported EFRs that were much lower than the ones cited in these four articles, making it likely that their results were indeed idiosyncrasies.

Guideline 6: Do not misrepresent the content of the reference

One of the potentially most damaging violations of good academic referencing is misrepresenting the content of the referred article. The EFR citation network is littered with violations of this guideline.

First, quite a number of publications in the EFR citation network refer to publications that *do not actually contain any failure rates* to substantiate their claim for a specific EFR figure. There are three articles that exemplify this problem: Baker and Ivancevich (1971), Gray (1991), Zeira (1975). The latter two are only referred to by one other publication and should not bother us too much. The Baker and Ivancevich article is quite interesting, however, since no less than seven other publications use it as one of their sources to claim high EFRs, with one even citing a specific page number on which the nonexistent figure is supposed to be found. Needless to say, there is no such page and therefore no supporting figure.

Second, numerous authors in the EFR citation cite publications that do not actually quote the EFR figure that they are referenced to support. In fact, some authors go so far as citing *only* publications that do not support the EFR figure they use in their article. Column 1 and 2 in Table 3 reproduce the most commonly cited ranges of EFRs and their most likely final source (see next section for a more detailed explanation). As can be seen in column 2, only one of these publications (Tung 1981, 1982, 1984, 1987 and 1988 are considered as one source, as all publications are based on the same data) is based on empirical evidence. Because of its importance, the exact results of Tung’s study are reproduced in Table 2.

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Table 2 about here
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As can be easily calculated the average failure rates for Japanese and European MNCs are around 5%, while even for American MNCs the average failure rate does not exceed 14%. Even if we chose to take the top of the range for each category (i.e. 10%, 20%, 40%), the failure rates for American MNCs would still be below 20⁷. As Table 3 shows, however, of the no less than 22 publications referring to Tung, only six correctly represent the EFRs included in her article, while the other fourteen publications credit her with mentioning EFRs anywhere from 16-40% to as high as 70%. However, even this sounds more positive than it is. Four of the six publications that correctly refer to Tung (Adler and Ghadar, 1990; Dowling et al., 1994; Hendry, 1994; Morley et al., 1999) *also* refer to much higher EFRs in the same paragraph (25-40% or 20-50%) substantiating these claim by referring to “empty” references that in the end all refer back to Tung. Adler and Ghadar, for example, mention a 25-40% failure rate, substantiating this by referring to the “empty” Mendenhall and Oddou reference (1985) which in turn refers to Tung as well. A fifth publication, Murray and Murray (1986), presents Tung’s data in a way that might easily lead to a gross overstatement of American EFRs. According to Murray and Murray (1986), more than three-quarters of American multinationals have expatriate failure rates between 10 and 40%. This figure is indeed corroborated by Tung’s findings. Crucial, however, is the fact that the vast majority of the firms on which Tung’s data is based had expatriate failure rates *below* 20%. We, therefore, would be equally justified in saying that 93% of the total American sample had expatriate failure rates *below* 20%. A figure that puts the American expatriate failure rate in a much more favourable light. The sixth and final publication, Wasson (1997), correctly refers to Tung’s figures for American companies, but chooses to refer to Scullion (1991) and Brewster (1993) for non-American companies rather than including Tung’s figures for non-American companies. Tung’s results with regard to EFR therefore seem to be seriously misrepresented by nearly all of the authors in the field.

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Table 3 about here
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Black's (1988) article is even more misrepresented than Tung's. None of the 10 publications referring to Black's 1988 article correctly reproduce its EFR range of 20-40%. Results for the two subsequent articles in Table 3 (Misa and Fabricatore, 1979 and Copeland and Griggs, 1985), which are the sources of the 25-40% and 20-50% ranges are slightly better, but even here many articles misrepresent their content. By contrast, Desatnick and Bennett's (1978) claim of a failure rate of up to 70% for developing countries is correctly represented in all articles that refer to it. However, this up-to-70% claim is ascribed to many other authors as well. Moreover, in some cases (e.g. Borstoff et al., 1997) the "developing countries" qualifier is omitted.

The last row of the Table 3 summarizes the large number of publications that refer either to "empty" or unreliable references or to references that cannot be generalised. The last column of Table 3 illustrates another interesting phenomenon: the introduction of a new range of EFRs that does not seem to have *any* source; a pattern that will be discussed in slightly more detail in the next main section that deals with the consequences of poor referencing.

On a final note, even my earlier article (Harzing, 1995) - that argued that high EFR were a myth - has been misrepresented as *support* for high EFR. Mendleson et al. (1997) used my article to substantiate their claim of high expatriate failure: "*Although the research is mixed, multinational corporations, especially those based in the USA, appear to suffer from a very high turnover rate among expatriate managers (Naumann, 1992; Harzing 1995)*" (Mendleson et al. 1997: 867). It is possible that the reference to my article was meant to support the "*although research is mixed*" part of their claim, but it is highly unlikely that readers will interpret it in that way.

Guideline 7: Make clear which statement references support

Many authors have a tendency to include a whole string of references behind a sentence or paragraph that includes a number of claims. It is then not clear which reference is supposed to support which statement. For example, in a paper on staffing for international operations, Torbiörn (1997) writes: "*These [staffing] procedures might mirror cultural characteristics or the central importance of large home markets and, possibly, as regards the American pattern, company experience of high*

failure rates (cf Ondrack 1985, Tung 1988, see also Harzing 1995) (Torbiörn, 1997:42)”. Given the complexity of the sentence, it is unclear whether the references are used to support differences in staffing procedures or high American EFRs.⁸ Regardless of how it was meant by the author, given the prevailing myth of high EFRs it is likely to be interpreted as support for high EFRs. Since references in the focal case study - the EFR citation network – are normally only used to support a claim of high expatriate failure, there are not many violations of this guideline.

Guideline 8: Do not copy someone else’s references

When doing a literature review, it is often tempting to copy references from another article on the same topic without referring back to the original sources. However, by doing so, potential referencing mistakes made by one author are given credence by continuously being reproduced by other authors. It is difficult to prove that this guideline has been violated in the EFR citation network. After all, authors citing the same EFR range and the same references as other authors might have found the original references themselves or at least checked them. However, this belief becomes tenuous when we know that some of the references being used by a large number of authors in the EFR network either do not mention any failure rates at all (thus violating guideline 6) or mention failure rates that differ completely from what they are claimed to mention (thus violating guideline 6/see table 3). Surely, someone who would have read the original article referred to would have easily spotted the mistake?

Guideline 9: Do not cite out-of-date references

When references are used to substantiate a claim that is either explicitly or implicitly stated to be valid at the present time, we would expect these references to be relatively recent. In relation to our case study, even if EFRs were high in the past, I would expect them to be lower now, due to, for instance, the increasing importance of global business, the higher levels of international experience and companies’ greater awareness of the need for cross-cultural training. Daniels and Insch (1998) offer a whole range of reasons explaining why early departure rates from foreign

assignments are lower than historically reported. Similarly, in a 1989 replication of her 1981 study Tung showed that EFRs had declined dramatically. Referring to old references to substantiate EFRs is therefore not likely to be relevant. The EFR citation network, however, is littered with the same old references reproduced over and over again. In order to substantiate high EFRs, most articles published in the late 1990s include a reference to one of four publications, each of which is at least a decade old, either Tung (1981), Mendenhall and Oddou (1985), Copeland and Griggs (1985) or Black (1988). Of these four, only Tung (1981), the oldest of the group, includes empirical results. Most publications in the EFR network in the late 1990s refer to a study that has been conducted some 20 years earlier (and, at that, does not even offer support for their claims, see violations of Guideline 6). As described under Guideline 3, however, “empty” references often “update” a reference by citing a later publication that cites an earlier publication, while it is the earlier publication that has the data.

Guideline 10: Do not be impressed by top academic journals

Or rather: be impressed, but do not be *so* impressed as to think that everything that appears in a top academic journal must necessarily be true. It is remarkable that the key articles (see below) in the EFR citation network were published in top academic journals: Mendenhall and Oddou, 1985: *Academy of Management Review*; Mendenhall, Dunbar and Oddou, 1987: *Human Resource Management*; Black, 1988: *Journal of International Business Studies*. This not only increases the size of their audience, but also their credibility. When Hogan and Goodson (1990), for instance, state: “*An article in the AMR⁹ estimated that from 1965 to 1985, the expatriate failure rate fluctuated between 25 and 40 percent*”, few readers would dare to question the accuracy of their statement.

Guideline 11: Do not try to reconcile conflicting evidence

Articles might provide conflicting evidence. Unless the author is very familiar with the subject matter and the articles in question, it is best to report this conflicting evidence rather than to try to reconcile it, since distortion might easily be the result. In the EFR citation network, the myth of

high EFRs is so firmly entrenched, that studies finding lower failure rates often try to re-interpret their own results as support for high failure rates or redefine the meaning of failure. Fukuda and Chu (1994), for example quote a 30% EFR for American MNCs, (inappropriately) citing Tung (1987) as support. In Fukuda and Chu's own study 30% of the Japanese *subsidiaries* located in Hong Kong and 14% of the *subsidiaries* located in Taiwan admitted premature recalls. This figure, as such, is not comparable with other studies that report EFR as the percentage of *expatriates* that return prematurely. The fact that 30% of the *subsidiaries* admit having premature recalls could result in an *expatriate* failure rate of anything between close to 0% (if all companies that admitted having premature recalls had expatriate failure rates below 1%) and 30% (if all companies that admitted having premature recalls had expatriate failure rates of 100%). Even taking an average of about 30% *expatriate* failure (which given Tung's results for Japanese MNCs is arguably too high), subsidiaries of Japanese MNCs in this sample would still have expatriate failure rates of about 4% to 9%, which is much lower than what Fukuda and Chu claim is the norm for American MNCs. Fukuda & Chu, however, conclude: *"that we could well conclude that the rate of expatriates failure among the Japanese subsidiaries in Hong Kong and Taiwan is not any lower than that generally found among US MNCs"* (Fukuda and Chu, 1994: 37). It seems as if Fukuda and Chu felt compelled to reinterpret their data to make them fit with the myth of high EFR.

Solomon (1996:79) mentions *"various researchers (and conventional wisdom) peg [early returns] at anywhere from 6 percent to 10 percent"*, a figure much lower than that most widely published in the EFR citation network. However, Solomon is not unaware of the high EFRs cited in the literature. Further on in the same article, she mentions that Rosalie Tung is often credited with citing that failure rates range from 20-40% of all assignments. Although as we know Tung has never cited these failure rates, Solomon's actual statement is true: others "often credit" Tung with citing such rates. Solomon then, however, chooses to reconcile the difference between the two figures. She interprets the Tung failure range as *"failure rates in the broadest sense of the word"*, while Tung herself

and all studies citing Tung appreciated that Tung has used one of the narrowest definitions of expatriate failure – early return.

Guideline 12: Actively search for counter-evidence

When presenting a literature review, it is the author's job to present the relevant research. It is the author's job not only to look for evidence that confirms his or her position, but also to look for and report counter-evidence. Presenting contradictory evidence has not been common practice among authors in the EFR citation network. Whereas there are a number of studies that cast a doubt on the existence of high EFRs, these studies have not been picked up in the mainstream literature. As described in more detail in my 1995 article, a number of European studies confirm low EFRs. Tung's (1982) assertion that the majority (59%) of West European firms had expatriate failure rates below 5% is supported by, for instance, Hamill (1989).

A number of global relocation consulting firms conduct yearly surveys into various aspect of expatriate management, basing their results on the responses of representatives of hundreds of MNCs worldwide. Invariably these surveys show EFRs (far) below 10%. Windham International's 1994 (NFTC, 1994) survey reports an 8% early return rate. ECA International's 1996 (Brennan and Pedrithes, 1996) reports put early returns at 4%. Summaries of more recent reports no longer mention the premature return of expatriates as a serious issue.¹⁰

One of the authors who played an important role in the EFR citation network, Black, recently published an article in *Harvard Business Review* with Gregersen in which they state:

“Over the past decade, we have studied the management of expatriates at about 750 U.S., European, and Japanese companies. Overall the results of our research were alarming. We found that between 10% and 20% of all U.S. managers sent abroad returned early because of job dissatisfaction or difficulties in adjusting to a foreign country” (Black and Gregersen, 1999: 53).

So two important authors in the area conclude, based on their own research, that EFRs are quite a bit lower than was claimed for decades. Since both the authors and *HBR* are quite influential, we might hope for a reassessment of high EFRs. Strangely enough, however, in a textbook published with Mendenhall and Stroh in the same year, Black and Gregersen apparently

ignored their own work and embrace Swaak's (1995) dubious statement of 10-45% EFRs. "*The proportion of U.S. expatriates who fail in their global assignments (that is return prematurely) ranges from 10 percent to 45 percent with the higher rates associated with assignments in underdeveloped or developing countries.*" (Swaak, 1995).

The most interesting counter-evidence, however, comes from the researcher that has been cited by so many and miscited by most: Rosalie Tung. In a 1998 article, Tung refers to a replication of her 1981 study, the results of which were presented at the 1989 Academy of Management conference. This replication, which used the same questionnaire and the same population as the original study, found that none of the 163 US MNCs had failure rates in excess of 7%, even in assignments to regions that are culturally distant from the United States, such as the Middle East.

WHAT ARE THE CONSEQUENCES OF POOR REFERENCING?

The previous section has shown that authors in the case study of the EFR citation network violated all 12 guidelines for good academic referencing. This section will briefly discuss the consequences of these violations for expatriate research: a self-perpetuating myth of high EFRs and EFR range claims that have been distorted over time. The concluding section will look at the consequences of poor referencing for academic research in general.

The self-perpetuating myth of high EFRs

In my prior research (Harzing, 1995) I found the persistent claim of high EFRs not to be supported by empirical evidence. Further investigation for the present article unfortunately did not change this picture.¹¹ It did, however, lead to a greater understanding of how the myth of high EFR was created in the first place and how it could continue to exist. Although the EFR citation network violates all twelve guidelines of good academic referencing, four violations have been particularly influential in creating and maintaining the myth: the use of unreliable sources (violation of Guideline 4), the misrepresentation of the content of source articles (violation of Guideline 6), the use of "empty" references (violation of Guideline 3) and the use of out-of-date references

(Violation of Guideline 9). In a particularly influential article, Mendenhall and Oddou (1985) cite two unreliable sources (Henry, 1965 and Misa and Fabricatore, 1979) and misrepresent the research results presented in the 1981 Tung article. The 1985 Mendenhall and Oddou article was subsequently used as an “empty” reference by no less than nine authors to substantiate their erroneous claim of high EFRs. A subsequent article by the same original authors - Mendenhall, Dunbar and Oddou (1987) - draws in even more unreliable sources and introduces two “empty” references of its own, one of them their own 1985 article. Whereas the later 1987 article was used by only four other authors as an “empty” reference, all four published their articles in the middle to late 1990s, thus creating the illusion of up-to-date research supporting high EFRs. The claims are not only “empty” and false, they are also out-of-date. An even more unfortunate example, due to its larger influence, is Black’s 1988 article in which Black cites one article that does not contain any EFRs and misrepresents the content of Tung’s 1981 research. Even so, no less than ten subsequent authors use Black’s 1988 article as an “empty” reference to substantiate their own claims of high EFRs.

It would be easy to blame individual authors for creating the myth of high EFRs, but this would obfuscate and negate the problem. The origin of the myth might have been the less than careful referencing by a few, select, individual authors. The continuation of the myth, however, was the responsibility of most, if not all, of the authors in the EFR citation network. The continuation of the myth was facilitated most by authors in the network violating Guidelines 3 and 8: The copying of references led to an explosion of “empty” references supporting the myth of high EFRs. This subsequently made it more and more tempting for new authors to accept the high EFR myth without questioning it, which thus further reinforced the myth. Since the myth soon became strongly entrenched in the collective wisdom of the field, some authors tried to reinterpret actual evidence of low EFRs as evidence of high EFRs (thus violating of Guideline 11) and failed to look for counter-evidence (thus violating Guideline 12). The fact that all key articles in the EFR citation network were published in the top academic journals, or journals purporting to use top

academic standards, made it more likely that authors would accept claims made in the journals without questioning, thus further perpetuating and reinforcing the myth (violations of Guideline 10).

Another influence inhibiting attempts to question the myth and thus reinforcing it is that high EFRs are convenient for most academics and practitioners in the field.¹² Many authors in the EFR citation network present models and research recommending careful expatriate selection and training. Reporting high EFRs conveniently establishes the relevance of the authors' research and recommendations, since high rates of expatriate failure are usually assumed to be due to poor selection and/or training and therefore subsequent lack of adjustment. As is immediately evident, high EFRs are very good news for commercial training companies, as they explicitly support the *raison d'être* of their core business. It should be noted that even if EFRs are low, there might still be a valid case for training, but it is often easiest to convince potential corporate clients to buy expatriate selection and training packages by referring to the money the company will lose due to high expatriate failure rates if they fail to properly select and train their people. The marketing would have to be completely different if it were based on the only sound empirical study on EFRs (Tung, 1981) in which only 7% of the American companies surveyed (and none of the European/Japanese companies) had failure rates as high as 20-40% or on Tung's 1989 follow-up study of the same companies showing that none of the American companies had failure rates above 7%. So given the fact that only a small percentage of the target audience is at risk for experience expatriate failure, companies might question the need for extensive selection and training programs and certainly would not be convinced to invest in costly programs based on (accurate) low EFRs.

Of course we should not discount the possibility that reported EFRs suffer from another bias: that of companies wanting to report lower than actual rates of expatriate failure. Such under-reporting would create the illusion that a particular company's international HR practices were better than those of their competitors. Of course, any research positioned at the cusp of

scholarship and practice is subject to this type of bias due to the competing interests and influences involved. As such, this is not an insurmountable problem, as all data and sources have biases. It is, however, the task of academic researchers to recognise such biases and try to limit them where possible by explicitly recognizing them, using rigorous research methodologies to limit their potential impact and rigorously using appropriate referencing.

Chinese whispers and the range of EFR

As we have seen above, violations of various guidelines for academic publishing have firmly entrenched a myth of high EFRs. In addition to the entrenched myth, another interesting phenomenon is undermining the validity of the EFR citation network: Chinese whispering.¹³ Chinese whispers are caused by misrepresenting the content of a reference - a violation of Guideline 6 -. Copying of references (violation of Guideline 8) and the overwhelming use of “empty” references (violation of Guideline 3) sustain Chinese whispers. This section will review the most-cited ranges of EFRs and show how they have become distorted over the years.

25-40% EFR range: The 25-40% failure rate was the most commonly cited EFR range up through 1995 (Harzing, 1995). As shown in Figure 1, the only possible source for the 25-40% failure rate appears to be Misa and Fabricatore (1979) since theirs is the first study to cite this failure rate without referring to other research. At the time they wrote their 1979 article, Misa and Fabricatore were two employees of an American management consulting firm, who published a short article in the *Financial Executive* entitled “Return on Investment of Overseas Personnel.” In the article, Misa and Fabricatore (1979:42) claimed that:

“Even when things were going right for expatriate managers overseas in the glorious days prior to the devaluation of the dollar and closing of some of the beneficial tax advantages, the premature return rate on foreign assignments ranged from 25 to 40 percent.”

Through a long chain of inaccurate referencing¹⁴, liberal rephrasing, and “empty” references Misa and Fabricatore’s statement was eventually transformed by a number of authors into, for example, the following EFR claims:

Harvey (1996:103) “*The rate of failure of expatriate managers relocating overseas from United States based MNCs has been estimated to range between 25-40 percent (Tung 1982, 1988; Mendenhall and Oddou, 1985; Gray 1991, Wedersphan 1992; Solomon, 1994; Dowling, Schuler and Welch, 1994; Swaak, 1995).*”

Shay and Bruce (1997:30) “*Cross-industry studies have estimated US expatriate failure, defined as premature return from an overseas assignment, at between 25-40 for developed countries (Baker and Ivancevich, 1971; Tung 1981).*”

Ashamalla (1998:54) “*According to a number of **recent** [emphasis added] studies, the rate of failure among American expatriates ranges from 25 to 40% depending on the location of the assignment (Fortune, 1995; McDonald, 1993, Ralston et al. 1995).*”

So Misa and Fabricatore’s (1979) seemingly out-of-the blue claim of a 25-40% American expatriate failure rate in the 1970s led to three publications in the second half of 1990s capable of convincing even the most stern disbeliever about the truth of the claimed 25-40% EFR range even in the present day. The first - Harvey, 1996 - cites no less than eight publications supposedly substantiating the 25-40% claim. The second - Shay, 1997 - refers to cross-industry studies, and the third - Ashamalla, 1998 – refers to recent studies that have found a 25-40% failure rate for American expatriates. As we have seen earlier though, none of the publications referred to in these three articles (or any of the intermediate publications in the chain) contains empirical evidence of cited high failure rates. Also, while some earlier publications still included Mendenhall and Oddou’s qualifying time range of 1965 to 1985, from 1995 onwards, this qualification has disappeared altogether.

20-50% EFR Range: In 1995 20-50% was the second most popular EFR range. As can be seen in Figure 1, the original source for a failure rate of 20-50% can only be Copeland and Griggs (1985), since this is the first study citing the 20-50% failure rate without referring to earlier work. Copeland and Griggs (1985: xix) state:

It is virtually impossible to get statistics from international companies, and the limited research on this subject has produced statistics which vary widely. Data suggest that somewhere between 20 and 50 percent of international relocations end with premature returns.”

Copeland and Griggs mention the expatriate failure rates in the introduction simply to set the scene and argue for the necessity of reading the book. The 20-50% range is not the result of systematic research nor do the authors mention other sources to support their claim. Given the fact that Copeland and Griggs, in all likelihood, draw their next sentence (*“In developing countries the failure rate has been as high as 70 percent”*) from Desatnick and Bennett’s (1978) earlier work, it is conceivable that the 20-50% EFR that Copeland and Griggs mention is simply miscopied from Desatnick and Bennett’s 30-50%. However, in subsequent articles, Copeland and Griggs’ cautious introductory statement evolves into the following series of unsubstantiated claims:

Naumann (1993:61): *“The fact that expatriate turnover is far higher than equivalent domestic turnover is well known, often falling in the range of 20-50% of all expatriate transfers (Baker and Ivancevich, 1971; Misa and Fabricatore, 1979; Tung 1981; Copeland and Griggs, 1985; Black, 1988).”*

Hoon et al. (1993:59): *“The average turnover rate of American PCN managers is between 20-50%. (Tung 1981; Copeland and Griggs, 1985; Mendenhall and Oddou, 1985; Black 1988; Black and Stephens, 1989)*

Morley (1999:204): *“It would appear that turnover rates, at least for US firms, commonly fall in the 20-50% range for expatriate transfers (Copeland and Griggs, 1985; Black 1988; Harvey 1996; Hogan and Goodson, 1990).”*

Less than 15 years after Copeland and Grigg’s publication of the unsubstantiated – but cautious – claim of EFRs in the 20-50% range other authors have turned this range into an unquestionable fact, having accumulated and published a range of “empty” and unreliable references in support of their claim in the process.

16-40% EFR range: The 16-40% EFR range became popular in the late 1980s and, by the late 1990s, became the most cited EFR figure. The origin of this EFR range, however, is unclear. None of the studies used to substantiate this claim actually mentions the 16-40% range. Only one article – Shilling (1993) - mentions the 16-40% range without referring to other articles, but the claim is not based on empirical evidence. The Shilling article, however, does not appear to be the source of the 16-40% figure either since only one other publication refers to this article. Most publications that mention the 16-40% figure refer back to Black (1988), even though Black quotes

a 20-40% range. Since three subsequent articles by Black and co-authors mention the 16-40% percentage, the 16% lower boundary may well be simply a slip of the pen. Black's 1988 statement that: "*Studies [Baker and Ivancevich, 1971; Tung 1981] have found that between 20 to 40% of the expatriate managers do not successfully make the transition and return early*" (pg: 277), however, fuels a whole series of attributions:

Birdsey and Hill (1995: 788) "*US corporate experiences have been that despite careful expatriate selection methods [..], orientations and training [..], between 16 and 40% of the American expatriates still return prematurely from foreign assignments (Black, 1988; Copeland and Griggs, 1985; Misa and Fabricatore, 1979; Tung 1981).*"

Harvey and Wiese (1998:33): "*Researchers estimate that between 16 and 40 percent of all American expatriates fail to complete their assignments (Mendenhall, Dunbar and Oddou, 1987; Mendenhall and Oddou, 1988; Wederspahn, 1992; Dowling Schuler and Welch, 1994), a number that is expected to escalate in the near future due to the projected increase in female expatriates and dual-career couples.*"

Shaffer and Harrison (1998:87): "*A recurring theme in the international HR literature is that early return rates for American expatriates, and overseas employees in general, are both quite high and quite costly to international operations. The number of expatriate assignments that end early have been reported to range from 16% to 50% (Black, 1988, Tung 1988).*"

Although some of the intermediate references still talk about estimates, by 1998 Schaffer and Harrison cite the early return rates as a recurring theme in the international HR literature and extend the upper limit to 50%. Quite an achievement for a source article – Black (1988) - that offers as support one publication that does not include any failure rates (Baker and Ivancevich, 1971), and one publication in which only 7% of the American companies have failure rates in this range (Tung, 1981).

DISCUSSION AND CONCLUSIONS

Previous sections have reviewed how in the case study of the EFR citation network, all twelve guidelines for good academic referencing were violated and how these violations led to self-perpetuating myths and Chinese whispers. Given that many articles in the EFR citation network were published in top academic journals, one must wonder how indicative the referencing problems in EFR citation network are of academic management research in general. Whereas, the severity of the problems found in the EFR citation network might, for some inexplicable reason,

be a worst case scenario, it is difficult to believe that academics in other areas would not also be guilty of careless referencing, especially given that many of the scholars who write articles on expatriation also publish in other areas. Why would academics in general be *much* more conscientious than expatriate researchers? We could, however, ask ourselves another question: Should we care? Is violating the norms for good academic referencing a serious problem worthy of our concern? This section will address this question from two perspectives: that of academics and that of practitioners. It will also review the relevance from the perspective of the interaction between the academic and practitioner world.

From an academic perspective, we should certainly care. Violating the guidelines for good academic referencing is simply bad science and may seriously undermine the field and hinder its progress. In many areas of management research, there is not yet as established a body of verified empirical knowledge as there is in the natural sciences. Since it is quite difficult to conduct empirical research in many areas of management and even more so in the complex area of international management, researchers must rely on a more limited empirical base. Because of the limitations, however, they have the obligation to make doubly sure this limited empirical base is actually *empirical*, *reliable* and *valid*, and not resort to careless and opportunistic second-source referencing. Unfortunately, increasing pressures on professors to publish combined with increased student/faculty ratios that demand more of professors' potential research time for teaching are probably exacerbating this type of ineffective behavior. Even so, I strongly feel that academics have a responsibility to themselves, their colleagues, their field, science itself and the general public to be careful and accurate in their representations. If scholars and the public at large cannot trust what academics publish to be accurate, whom can they trust?

Should practitioners care about inadequate and inaccurate academic referencing? Not necessarily, if they could trust that the basic message of the articles they read is correct. Unfortunately, as we have seen in our case study of expatriate failure rates, this is not necessarily the case. Reading the academic and practitioner literature on expatriate management, practitioners

cannot help but conclude that expatriate premature return is one of the most important problems in sending employees abroad. This might lead companies to focus their attention and resources on avoiding expatriates' premature return, while failing to notice or manage other issues that are, in fact, far more important for assuring the expatriates' and the company's success. Forster and Johnsen (1996), suggest another practitioner reaction to the myth of high EFRs that might be equally detrimental to both expatriate and company success. Forster and Johnsen propose that the myth of high EFRs might well explain why the training and selection procedures of companies in their study were so different from the ideal policies recommended in the literature. In reconciling the high EFR figures with the actual practice in their company, each individual firm may believe that it is other firms who have a problem with high failure – not themselves. These companies would therefore see no reason to change training and selection policies and might lose out on the benefits of improved selection and training methods.

Looking at the interaction between the academic and practitioner fields, there is certainly a problem. The violation of good academic referencing and the potential creation of myths and Chinese whispers makes it difficult for practitioners to trust academic research. Practitioners look to academics for sound research-based advice. Practitioners expect academics not only to conduct good research, but also to keep abreast of advances in the field, something for which most practitioners have little time or inclination. When practitioners discover that academics fail to do a rigorous job, that they resort to carelessly repeating what others have said or support their statements by referring to articles written by consultants and published in newspapers and magazines, they are unlikely to value the academic's advice. In some cases, such as with the severe violations found in the EFR literature, practitioners might well question the academic's intellectual capability and critical thinking ability. In an article pleading for internationalization, professionalism and social responsibility in SIETAR¹⁵ International, Hofstede (1998) summarizes a discussion of my 1995 article with the somewhat provocative statement: *“Practitioners who work with multinationals may have noticed that multinational HR managers aren't imbeciles. Does anybody really think that*

multinationals would have continued expatriating managers or other personnel if they kept getting such dramatic failure rates?'. Apparently, authors in the EFR citation network did.

“Should we care?” The question can be answered with a resounding yes on all three fronts. This article has illustrated how violations of guidelines for good academic referencing can lead to self-perpetuating myths and Chinese whispers that are very detrimental to the progress of research, to the practice of management and to the image of scholarship in general. Hopefully, the twelve guidelines for good academic referencing suggested in this article will prove helpful in preventing similar problems in the future.

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Table 1: Twelve guidelines for good academic referencing

1. Reproduce the correct reference
2. Refer to the correct publication
3. Do not use "empty" references
4. Use reliable sources
5. Use generalisable sources for generalised statements
6. Do not misrepresent the content of the reference
7. Make clear which statement references support
8. Do not copy someone else's references
9. Do not cite out-of-date references
10. Do not be impressed by top journals
11. Do not try to reconcile conflicting evidence
12. Actively search for counter-evidence

Table 2: Recall rates in American, European and Japanese companies

Recall rate %	% of Companies
U.S. MNCs	
20-40	7
10-20	69
<10	24
European MNCs	
11-15	3
6-10	38
<5	59
Japanese MNCs	
11-19	14
6-10	10
<5	76

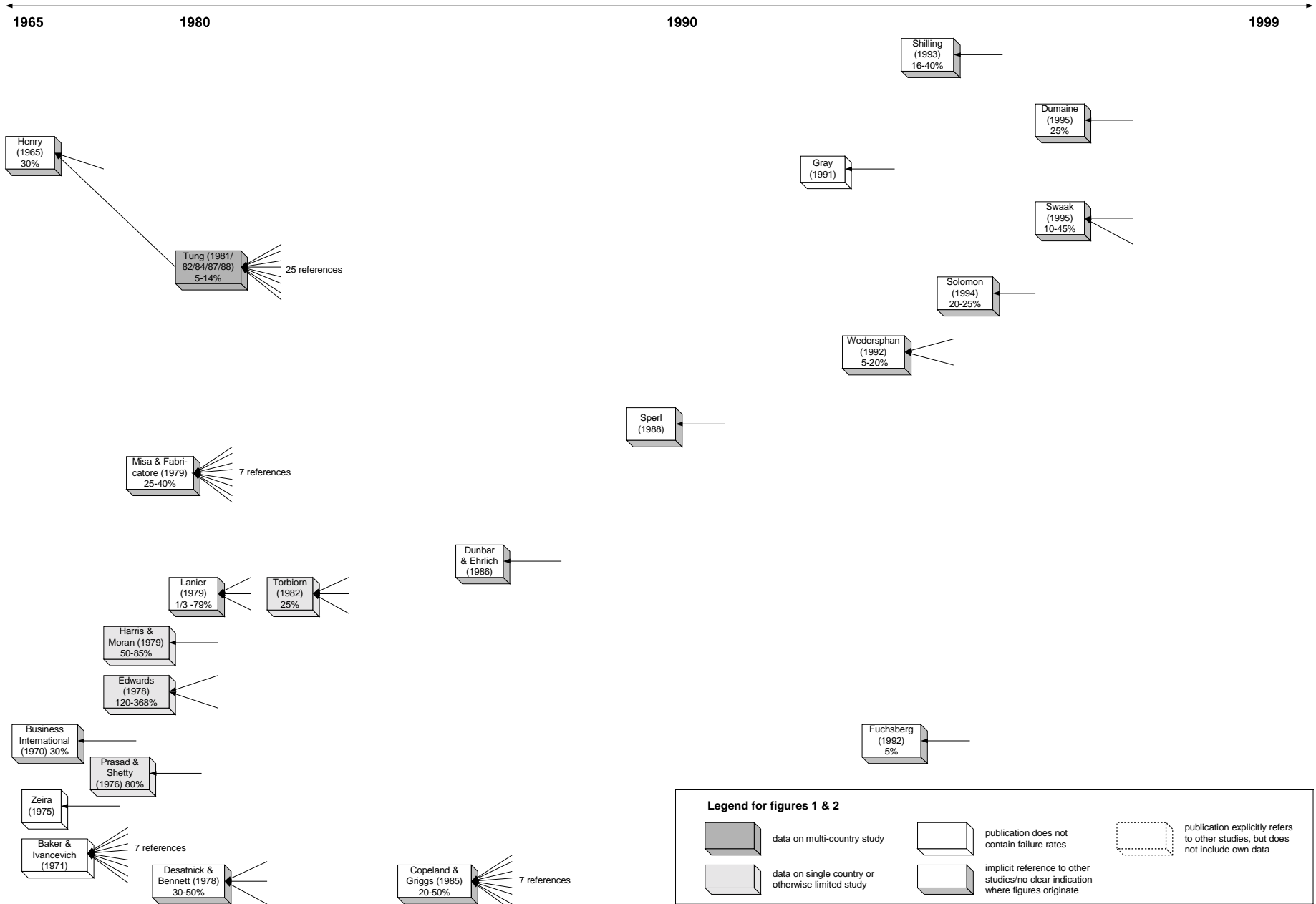
Source: Tung, 1982

Table 3: Source and referencing articles for various ranges of EFR

		Referencing articles quoting the source for the following EFRs					
Source article	Percentage EFR	5-14%	20-40%	25-40%	20-50%	70%	16-40%
Tung 1981	American 14% European 5% Japanese 5% Note: Reliable empirical study	Murray & Murray, 1986 Adler & Ghadar, 1990 Dowling & Schuler, 1994 Hendry, 1994 Wasson, 1997 Morley et al., 1999	Deshpande & Viswevaran, 1992	Mendenhall & Oddou, 1985 Harvey, 1985 Hamill, 1989 Ralston et al., 1995 Harvey, 1996 Shay & Bruce, 1997	Mendenhall et al., 1987 Naumann, 1992/3 Hoon et al., 1993	Shay & Bruce, 1997	Black & Stephens, 1989 Black & Mendenhall, 1989/1990 Black et al., 1991 Birdseye & Hill, 1995 Montagliani & Giacalone, 1998 Schaffer & Harrison, 1998 (16-50%)
Black 1988	20-40% Note: Empty reference				Hoon et al., 1993 Naumann, 1992/3 Morley et al., 1999		Black & Stephens, 1989 Black & Mendenhall, 1989/1990 Black et al., 1991 Birdseye & Hill, 1995 Montagliani & Giacalone, 1998 Schaffer & Harrison, 1998 (16-50%) Schaffer et al., 1999
Misa & Fabricatore, 1979	25-40% in the 60s Note: Unreliable source			Mendenhall & Oddou, 1985	Mendenhall et al., 1987 Naumann, 1992/3		Black & Stephens, 1989 Black et al., 1991 Birdseye & Hill, 1995
Copeland & Griggs, 1985	20-50% Note: Unreliable source				Mendenhall et al., 1987 Naumann, 1992/3 Hoon et al., 1993 Morley et al., 1999	Borstoff et al., 1997	Black et al., 1991 Birdseye & Hill, 1995
Desatnick & Bennet, 1979	70% (developing countries) Note: Unreliable source					Zeira & Banai, 1985 Mendenhall et al., 1987 Naumann, 1992/3 Lobel, 1993 Hendry, 1994	
Others authors	Various percentages Note: "Empty" references, unreliable sources, non-generalisable sources (see guidelines 3,4,5)		Deshpande & Viswevaran, 1992	Holmes & Piker, 1980 Mendenhall & Oddou, 1985 Hamill, 1989 Adler & Ghadar, 1990 Hogan & Goodson, 1990 McDonald, 1993 (2) Dowling & Schuler, 1994 Hendry, 1994 Harvey, 1996 (6) Shay & Bruce, 1997 Ashamalla, 1998 (3)	Mendenhall et al., 1987 (4) Naumann, 1992/3 Hoon et al., 1993 (2) Osland, 1995 Daniels & Insch, 1998 (3) Morley et al., 1999 (2)	Copeland & Griggs, 1985 Shilling, 1993 Dowling & Schuler, 1994 Mendleson et al., 1997 Gowan & Ochoa, 1998	Black & Stephens, 1989 Black & Mendenhall, 1989/1990 (2) Black et al., 1991 Forster, 1992 (2) Shilling, 1993 Gowan & Ochoa, 1998 Harvey & Wiese, 1998 (4) Montagliani & Giacalone, 1998 (2)

Taking Mendenhall et al. (1987) as an example, this table should be read as follows: Mendenhall et al. (1987) cite a 20-50% EFR, referring in support of this figure to Tung (1981), Misa & Fabricatore (1979), Copeland & Griggs (1985) and 4 other authors. For the first five source authors, the shaded cells indicate situations in which referencing articles correctly represent the content of the source articles.

Figure 2: EFR citation pattern for developed countries without "empty references"



¹ I would like to thank Ron van der Wal and Axèle Giroud for reading the first draft of the manuscript and offering the sound suggestion to restructure it. I am also grateful to Denise Rousseau and the two Journal of Organizational Behavior reviewers who offered encouragement and helpful comments. My very special thanks are due to Nancy Adler, who gave up her reviewer's anonymity to allow me to discuss changes with her and offered very detailed and helpful comments. Anthony Ferner and Richard Peterson read the final version of the manuscript and showed me that there is always room for improvement.

² This literature review was conducted using Proquest's search engine. The words expatriate and failure were used to locate articles that referred to expatriate failure rates. In addition, journals that were likely to contain articles on expatriation, but were not available in full text through Proquest (e.g. The International Journal of HRM), were searched either on-line or manually. [As recommended by one of the reviewers I excluded articles that were not published in academic journals or professional journals following academic standards, except in special cases that added information that was important to the argument of this article.] Subsequently, I tracked down all the references of these articles that were used to substantiate their cited EFR figures and the references of these references, repeating the process until no new references were found.

³ A similar figure for developing countries is available from the author.

⁴ In this article – which was the keynote speech at a SIETAR (Society for Intercultural Education, Training and Research) conference – Hofstede presents an extensive discussion of my 1995.

⁵ I consider it unlikely that the Centre for International Briefing based this estimate on actual research or experience, since - being based in the UK - the majority of their clients are European. Their current sales brief on their web site does not mention any EFR figures.

⁶ These figures come from Gary Lloyd, director of the BCIU (Business Council for International Understanding) Institute.

⁷ The average failure rate was calculated by multiplying the percentage of companies that fall within a certain range of failure rates with the mid-point of the range of failure rate. This leads to the average failure rates of 4.8% for Japanese companies ($0.76*2.5\% + 0.10*8\% + 0.14*15\%$), of 4.9% for European companies ($0.59*2.5\% + 0.38*8\% + 0.03*13\%$) and of 13.65% for American companies ($0.24*5\% + 0.69*15\% + 0.07*30\%$).

⁸ If the latter is true is Harzing (1995) used to support high EFRs or simply mentioned as another article that discusses expatriate failure?

⁹ This in all likelihood is the 1985 article by Mendenhall and Oddou.

¹⁰ Unfortunately the full reports tend to be priced for a corporate audience.

¹¹ Nearly all non-empty reference publications in the EFR citation network have been discussed above or in my 1995 article and – except for Tung – found not to include any solid empirical evidence for high EFR. However, the attentive reader will note two additional references in this category: Dunbar and Ehrlich, 1986 and Sperl 1988 that have not been discussed yet. Both publications are not publicly available and my best efforts in contacting the original authors and publishers to get a copy of the publications had no results. I consider it unlikely, however, that the talk by Sperl contained anything else than anecdotal impressions and the author who referred to this talk (Forster) has since become convinced that high EFR are a myth (see e.g. Forster, 1997). Dunbar and Ehrlich's report might have included empirical results. However, since Black and Mendenhall did not bother to refer to the report anymore after their one-off reference to it in 1989/1990 and instead started to use other references, I consider it unlikely that this report contains conclusive evidence of high EFR.

¹² It is important to note that I am not suggesting here that academics or practitioners are deliberately perpetuating a myth they know to be wrong. The fact that the myth is convenient for both academics and practitioners, however, means that they will not be likely to question it.

¹³ Chinese whispering refers to the party game where a first person whispers a word or sentence into the ear of his/her neighbor. This process is repeated until the word reaches the final participant in the game, who then says the word aloud. The "final" word or sentence usually bears little or no resemblance to the word or sentence that started the game, since it became distorted in the process of transmission. Figures on expatriate failure rates seem to have undergone a similar process of distortion.

¹⁴ The full series of quotes of all intermediate references for both this EFR range and the two other ranges are available from the author.

¹⁵ Society for Intercultural Education, Training and Research.