Managing psychosocial risks on expatriation in the oil and gas industry

IPIECA

The global oil and gas industry association for environmental and social issues

5th Floor, 209–215 Blackfriars Road, London SE1 8NL, United Kingdom
Telephone: +44 (0)20 7633 2388   Facsimile: +44 (0)20 7633 2389
E-mail: info@ipieca.org Internet: www.ipieca.org

OGP

International Association of Oil & Gas Producers

London office
5th Floor, 209–215 Blackfriars Road, London SE1 8NL, United Kingdom
Telephone: +44 (0)20 7633 0272   Facsimile: +44 (0)20 7633 2350
E-mail: reception@ogp.org.uk   Internet: www.ogp.org.uk

Brussels office
Boulevard du Souverain 165, 4th Floor, B-1160 Brussels, Belgium
Telephone: +32 (0)2 566 9150   Facsimile: +32 (0)2 566 9159
E-mail: reception@ogp.org.uk   Internet: www.ogp.org.uk

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Executive summary

Expatriation can present complex psychosocial issues and risks for both employees and employers in the oil and gas industry. Failure to understand and address them can have an adverse impact on the effectiveness and well-being of expatriate employees, their families, and the operations and businesses in which they work. This report outlines an overarching risk-based management strategy that identifies both potential issues and related risks, and actions for prevention and intervention. However, each company should implement programmes that meet their specific needs and risks based on geographical, organizational and cultural characteristics.

To mitigate any psychosocial risks, employers and their employees and accompanying families need to be both aware of, and prepared for, changes associated with expatriate work and life. Expatriates tend to endure higher levels of pressure arising from the need to adapt to new working and domestic environments, often in completely new cultural contexts.

The report also examines motivations for expatriate employment because these may have an impact on the success of an assignment. Although usually associated with career advancement, opportunity and financial gain, or the desire for travel and exploration, expatriation may also be seen as a means to overcome negative issues, such as boredom or unhappiness at home. The reasons for expatriation should therefore be investigated prior to transfer.

The report outlines broad categories of psychosocial hazards that expatriates may encounter in the workplace and beyond, and provides a range of strategies designed to address the issues encountered in these contexts. Areas examined include:

- job content;
- workload and workplace;
- work schedule;
- control;
- environment and equipment;
- organizational culture and function;
- interpersonal relationships at work;
- role in organization;
- career development; and
- home-work interface.

The report discusses the consequences relating to psychosocial risks. These may be related to depression, distress, burnout, cognitive (thinking) decision making and attention. Such issues are often associated with a state of physical, emotional and mental exhaustion. Both work and non-work circumstances (for example, non-work referring to financial strain or work-family conflict) can cause, and be significant in, the development in such exhaustion, which is referred to as 'burnout'. Exposure to psychosocial risks resulting in burnout have been linked to unhealthy behaviour, such as excessive drinking and smoking, and also to physical issues such as heart problems, musculoskeletal disorders, obesity and headaches. All such health effects strain work and home relationships, and hinder adaptation and performance.

Expatriate performance will often reflect cross-sociocultural adjustment, i.e. expatriates who adjust well to a new and foreign environment usually accomplish tasks more efficiently than those who adjust poorly. For this reason, adequate preparation is needed to enable effective employee adjustment, and this should be extended to include accompanying partners or children. Adjustments include those relating to cultural practices, work environment, social and environmental conditions and country infrastructure. These factors should be identified and assessed against international standards prior to expatriation. Providing expatriates and

their families with background information, such as access to medical provision, schooling and job opportunities for spouses, is recognized to be an important preventive action.

Establishing an adequate intervention strategy is instrumental in responding professionally in the event of an employee suffering from a psychological injury. The approach taken to manage such a strategy will depend on the organizational structure of the company or its culture, but would usually consist of three main steps: 1) immediate actions; 2) the rehabilitation phase; and 3) the reintegration phase. It is recommended that:

- once reported, any case is handled **efficiently** and quickly (unless any delay is validated), and should involve occupational health expertise;
- human resources or an occupational health doctor **investigates** the case to determine the facts, while supporting the employee and their manager(s);
- case **follow-up** and **monitoring** are appropriate and consistent;
- a **reintegration-to-work** process be in place before an employee returns to work; and
- all personal data is stored and treated with sensitivity and **confidentiality**.

Introduction

Why do we need a guideline for managing psychosocial risks?

Expatriation is common practice in the oil and gas industry as a result of increasing globalization, changing nature of work and significant demographic changes within the industry. In order to be on the forefront in a competitive market it is imperative for large multinational organizations to ensure both good and effective global staffing and expatriate assignments. In general, expatriation is recognized as a development opportunity for both the employee and the organization, and in many cases provides a positive career experience. However, when moving to a foreign country, expatriates and their families are often faced with a variety of new and challenging work-related circumstances, some of which may be linked to psychosocial risks, e.g. work-related stressors and difficulties associated with cultural adjustment for families.

Psychosocial risks that are linked to the experience of work-related stress have been reported to be the second most prevalent work-related health problem, affecting 22% of workers in the European Union. More than 40 million people and almost one in three of Europe's workers report that they are affected by stress at work (EU-OSHA, 2009; WHO, 2010). As such, there is strong evidence of an association between exposure to psychosocial risks and an array of health outcomes at both the individual and organizational levels. From a broader perspective, psychosocial risks are a major occupational health concern and can have grave financial consequences for society and all types of enterprises, including small, medium and large companies.

In the oil and gas industry, psychosocial hazards can cause ill health for individuals or groups exposed to poor working conditions over the longer term. Furthermore, a reduction in physical and psychological health through the experience of stress can cause suboptimal performance that may lead to accidents. Psychosocial risks for expatriates include the cultural differences that may be reflected in areas such as preferred leadership styles, work motivation, willingness to take risk, gender roles and safety-related attitudes.

Literature and experience also highlight the high financial cost associated with expatriate assignments, particularly if the assignment fails. It is generally estimated that the cost associated with international assignments is between three and five times an assignee's home salary per annum.

Given the serious economic and personal costs of psychosocial risks and stress, there have been many reports on their causes and outcomes, especially in terms of the impact of life events on stress levels. Numerous studies suggest that stressful life events can cause physical and psychological illnesses as well as decreased employee performance. Several types of work-related events, such as changes in the balance of work/family roles, taking a new job, discrimination, stereotyping, and social isolation and job changes, have been studied and deemed to be potentially stressful life events. A life event is considered to be stressful if '*it causes changes in, and demands readjustment of, an average person's normal routine*' (Kobasa, 1979).

To ensure that all international assignees are managed according to best practices, it is important to prevent work-related stress and ill-health due to psychosocial risks. By promoting health and well-being for expatriates and their families, companies can have a positive impact on the expatriate's performance. As such, issues that pertain to expatriates specifically should be addressed through a holistic and comprehensive intervention framework. In recent years, there have been a number of initiatives and guidance that focus on the management of psychosocial risks and their impacts on the health and safety of employees. Some examples of this are the World Health Organization (WHO) 'Global Framework for Healthy Workplaces' and the British Standards Institution (BSI) *Guidance on the management of psychosocial risks in the workplace* (BSI Standard PAS 1010, 2011).

The business case

Besides managing the risks associated with expatriation on a personal level, there is a clear business case for organizations to manage psychosocial risks in order to ensure organizational effectiveness; this is characterized by optimal job performance, ability to retain and attract staff, and the creation of an environment for innovation and productivity linked to a positive financial outcome.

Psychosocial risk management is still a relatively new concept, and data and research are still being developed. This document should be regarded as a voice in the discussion of this complex issue; it presents the social, psychological, organizational, industry-specific and political/cultural aspects of relevance, together with a new way of viewing the health concerns associated with expatriation in the oil and gas industry.

It is generally recognized that the effective management of psychosocial risks is key to improving absenteeism, productivity and organizational effectiveness (EU-OSHA, 2012a); employee well-being, creativity and innovation are, in turn, recognized as being crucial for the effective performance of individuals holding technical positions in the oil and gas industry. The management of psychosocial risks associated with expatriation will therefore often be part of a global human capital programme targeting organizational effectiveness, and will have a strong direct link to the strategy of the company.

Defining psychosocial hazards and risks

Psychosocial risk is the likelihood that psychosocial factors will have a hazardous influence on employees' health through their perceptions and experience and the severity of ill health that can be caused by exposure to them (BSI, 2011).

Psychosocial hazards as a concept was introduced by the International Labour Office (ILO) in 1986. Psychosocial hazards are defined as 'those aspects of work design and the organization and management of work, and their social and environmental context, that have the potential for causing psychological, social or physical harm' (Cox & Griffiths, 1995).

There is reasonable consensus in the literature on the nature of psychosocial hazards; these can be categorized in ten broad categories as shown in Table 1.

Table 1 *Examples of psychosocial hazards*

Category	Description
Job content	• Lack of variety or short work cycles • Perception of fragmented or meaningless work • Under-use of skills • High uncertainty • Continuous exposure to people through work

Workload and pace of work	• Work overload or under load
	  - Machine pacing
	  - High levels of time pressure
	  - Continually subject to deadlines

Work schedule	• Shift working:
	  - Night shifts
	  - Inflexible work schedules
	  - Unpredictable, long or unsociable hours

Control	• Low participation in decision making • Lack of control over workload - Shift working
Environment and equipment	• Inadequate equipment availability • Suitability or maintenance • Poor environmental conditions such as lack of space, poor lighting, excessive noise
Organizational culture and function	• Poor communication • Low levels of support for problem solving and personal development • Lack of definition of, or agreement on, organizational objectives

Interpersonal relationships at work	• Social or physical isolation
	  - Lack of social support
	• Poor relationships with superiors
	  - Interpersonal conflict

Role in organization	• Role ambiguity • Role conflict, and responsibility for people

Career development	• Career stagnation and uncertainty
	  - Under promotion or over promotion
	  - Poor pay
	  - Job insecurity
	• Low social value to work

Home-work interface	• Conflicting demands of work and home
	  - Low support at home
	  - Dual career problems

Adapted from Leka, Griffiths & Cox, 2003.

It is essential to note that psychosocial hazards do not pose risks solely to psychological health; both physical and psychosocial hazards have the potential for detrimental affects on physical health as well as on social and psychological well-being. Furthermore, significant interactions can occur between hazards, and also between their effects on health.

Who are expatriates?

Definition and characteristics

The term 'expatriate' has no universally agreed definition. In some cases it may be used to refer to anyone living outside his or her home country, including workers (and their families), retired people, economic migrants and refugees. *In the context of this guide, the term is used to refer to those sent to work abroad for a multinational corporation to carry out a required job.*

Indeed, to avoid confusion, many companies deliberately avoid the term 'expatriate' and refer to such individuals as 'international assignees'. The term also, though not inevitably, carries the suggestion of some duration to the assignment. An expatriate or international assignee would usually be regarded as being abroad for at least six months (Jones, 2000), and thus be distinguished from a 'business traveller' (which implies frequent business trips of a week or two) and a 'short-term assignee' who works on a specific task or project for two or three months. However, this latter distinction is somewhat artificial.

It is not uncommon for long-term international assignees to be accompanied by their partners and children. This is much less common with short-term assignees.

In the oil and gas sector, rotational work is the norm for the 'front-line worker', with workers travelling to and from the work location. A rotator is defined as a worker who goes on duty at the work location for a defined period of time, e.g. two weeks or a month, and then goes off duty completely for a defined period. Although work shifts of two weeks duration are usual in many 'domestic' offshore environments, a longer period of four weeks is more common in international locations due to the costs and logistical challenges. In some cases, a more arduous rotation of six weeks on location and two weeks off may be encountered.

While the most straightforward rotation has the worker returning 'home' in between work periods, it is important to remember that the off-duty period may not be spent at home at all, and 'home' may not necessarily be the individual's country of origin or country of employment. For example, a US citizen may be paid by a British company, work in Kazakhstan, but may actually live in Thailand for most of his or her time off.

The management of occupational health issues, including psychological support, can therefore be particularly challenging and require global alignment of company policies, practices and standards.

A further distinction is that of the self-initiated expatriate or locally employed non-national employee. This refers to someone who is already living in a foreign country and who works locally for an international company rather than having been sent there by the company.

An increasing phenomenon in some business sectors is that of long-distance commuting, where the employee travels to and from work, e.g. on a weekly or ten-day basis, returning home for weekends. This is often referred to as international commuting.

As mentioned above, this guideline relates to those professionals who are sent abroad to undertake a specific job, because it is these individuals who represent the expatriate group that has the greatest impact on organizational effectiveness, strategic impact and costs.

Numbers

While the definition of 'expatriate' is not always clear cut, the data on actual numbers of expatriate workers are even more vague. The United Nations has indicated that there were some 200 million 'expatriates' in 2010, but this figure includes all those living overseas, including political and economic refugees (UN 2009). Individual datasets are often imprecise or out of date, and tend to refer to non-specialized ('immigrant') workers. It has been estimated that almost 10% of the population in many developed countries are expatriates and migrants (UN, 2011). The highest percentages are found in Middle Eastern countries, where the percentage of expatriate workers may outnumber the local indigenous population; for example, 70% of the United Arab Emirates' population are expatriates. Luxembourg and Switzerland have the highest proportion in Europe, with 30% and 20% of their populations being expatriates, respectively (Dumont and Lemaitre 2005). The USA has the greatest absolute number worldwide, with 38 million expatriates.

Table 2 *Who are expatriates?*

Category	Description
Traditional expatriate (international assignee)	• Hired in home country. • Works in overseas location for 1–3 years. • Often accompanied by dependant(s). • Usually has 'home' contract with benefits.
Rotator	• Leaves home country at regular intervals to work abroad with breaks at home, e.g. 4 weeks on, 4 weeks off; 6 on, 2 off. • Usually works a 7-day week.
Short-term assignee	Sent from home country for short duration of 1–6 months.
International commuter	Long-distance commuting, where the employee travels to and from work on a weekly or 10-day basis, returning home for weekends

The largest jump in expatriate numbers took place between 1985 and 1990, but the upward trend has continued steadily, with the economic downturn and incidents such as the attack on the World Trade Centre in 2001 having only minor temporary impacts on this trend (Mercer, 2012; GMAC, 2005).

Gender and age

Studies from the 1980s indicate that a very low percentage of employed expatriates (about 3%) were females (Adler, 1984). The emphasis here is on *employed*, as women have commonly accompanied their working male partners in a non-working role. More recent studies indicate that the percentage of working women expatriates is increasing, but that the great majority of expatriates (80–90%) remain men.

Selmer and Leung have reviewed published work which highlights interesting differences between male and female expatriates, including age, marital status, and the number and duration of assignments (Selmer and Leung, 2003). Expatriate men tended to be older (averaging 42.8 vs. 37 years for women) and much more likely to be married (75–90% vs 40–50% for women). Women were deemed more likely to be on their first

assignment and to have been abroad for a shorter time compared to men, although these data were incomplete and based on relatively small samples.

Reasons for expatriation

Employers will have specific business reasons for setting up expatriate assignments. Employee's reasons for working overseas may be much more variable and, sometimes, less clearly thought out.

Business reasons

Companies may assign expatriate workers for a variety of reasons, including:
- a lack of local technical competence or experience at the host location;
- concerns over managerial ability at the host location;
- a need for cultural/language compatibility at the location/headquarters; and
- a desire to develop staff in different work environments and cultures.

Expatriate reasons

Reasons why employees may choose to work overseas include:
- an opportunity to travel and experience a new country;
- career advancement—overseas experience is often highly valued by the company and may offer more interesting/challenging career opportunities;
- remuneration—there is usually a substantial financial uplift for expatriates, in addition to other fringe benefits (e.g. quality of housing, free private schooling, health insurance etc.);
- a personal connection with the location (e.g. through a partner or family); and
- a way to deal with maladjustment to the current job or environment.

Some reasons are more likely to lead to a successful assignment than others. For example, an expatriate who accepts an assignment because of boredom or unhappiness at home is hardly in the best frame of mind to succeed in a challenging location.

Most importantly, the cost of an expatriate assignment—especially when the assignee is accompanied by his or her family—will be extremely high. If the same job can be performed just as well by someone on a local contract, this option is becoming increasingly attractive. The risk of failure associated with (high cost) expatriate postings makes them a high-risk strategy at the best of times. In some business fields, the expectations and demands of expatriates have increased, particularly with regard to remuneration and benefits. This pressure is increased by the scarcity of some technical specialists who can, to some extent, demand their own conditions. A downside of this lack of choice in manpower is that companies may be increasingly tempted to expatriate people who would not necessarily be their first choice of candidates for such demanding posts.

While the long-term development of local, national, employees is beneficial it may, in the short term, lead to smaller expatriate communities—with reduced community support, fewer family assignments (with workers increasingly separated from partner and children), and increased insecurity for 'career' expatriates who may have shorter assignments and less assurance of a follow-up posting.

Potential consequences of expatriation

This section discusses the potential individual and organizational consequences of exposure to psychosocial risks associated with expatriation, when these risks are not optimally managed.

Impact of psychosocial risks on expatriate health

There is substantial scientific evidence to indicate a clear relationship between psychosocial risks and an expatriates' physical, mental and social health: a range of different illnesses, such as depression, cardiovascular diseases and musculoskeletal diseases may result (EU-OSHA, 2012b).

Psychosocial risks can alter the way a person feels, thinks and behaves, and can also produce changes in their physiological function. Under some circumstances this may translate into poor performance at work, psychological and social problems and poor physical health.

There is a close overlap between fatigue, depression, anxiety, stress and burnout. Mental health difficulties are now one of the three leading causes of disability, along with cardiovascular disease and musculoskeletal injuries (ILO, 2000).

Psychological and social health effects

Psychosocial risks can have a detrimental impact on affective (mood) depression, distress, burnout and cognitive (thinking) decision making, and attention.

Although there is no universally accepted definition of burnout, most researchers define it as a state of physical, emotional and mental exhaustion that results from long-lasting workload exceeding an individual's capacity. Burnout is the result of chronic stress (at the workplace) which has not been successfully dealt with.

Non-work related circumstances, e.g. financial strain or work-family conflict, can be of significance in the development of burnout.

Burnout is a problem that is specific to the work context; in contrast, depression tends to pervade every domain of a person's life.

Psychosocial risks have been found to be associated with the risk of depression among expatriates, resulting in poor health functioning, anxiety, distress, fatigue and job dissatisfaction.

Psychosocial risks, work-related stress, job strain and associated depression represent a substantial, preventable and inequitably distributed public health problem.

Furthermore, post-traumatic stress disorder (PTSD) must be considered as a potential psychological reaction following a major incident. This applies not only to expatriates but to the entire workforce in the oil and gas industry, and should be addressed, for example, through the provision of critical incident support and planned processes involving the occupational health, and health and safety departments.

Exposure to psychosocial risks among expatriates has been associated with a variety of unhealthy lifestyle factors such as physical inactivity (overweight), excessive drinking (alcohol dependence) and smoking, poor diet and poor sleep (insomnia). Poor psychosocial working conditions can contribute to an increase in detrimental health behaviours, with a possible direct or indirect impact on the development or exacerbation of physical health conditions (e.g. coronary heart disease) and psychological health (e.g. depression).

Expatriates and their family members may experience a culture shock when they return home, as they readjust to life in their home country while assimilating the things they enjoyed and learned abroad. This process of 'reintegration' into society can also carry the risk of triggering underlying psychological vulnerabilities.

Physiological and physical health effects

Increasing evidence indicates that the most common physical effects related to psychosocial risk exposure are hypertension, coronary heart diseases, musculoskeletal disorders, gastro-intestinal disorders, peptic ulcers, ulcerative colitis, thyroid disorders, diabetes, obesity, skin diseases, headaches and migraine.

Negative emotional states (e.g. depression, anger and hostility, and anxiety), chronic and acute psychosocial stressors, and social ties including social support and social conflict, are associated with increased risk of cardiovascular morbidity and mortality. Evidence shows that the relationship between work-related psychosocial factors and the development of ischaemic heart disease (IHD) has been increasing.

Furthermore, exposure to physical and psychosocial hazards in combination has a greater impact on musculoskeletal disorders than either factor alone. Both physical and psychosocial work characteristics are associated with lower back pain, upper limb disorder and neck pain.

Psychosocial work stress is recognized to be an independent predictor of type 2 diabetes (EU-OSHA, 2012b).

Impact of psychosocial risks on expatriate job performance

According to EU-OSHA (2012b), the three most common criteria for evaluating expatriate success include completion of the foreign assignment, cross-sociocultural adaptation, and performance of the foreign assignment. Cross-sociocultural adjustment refers to the ability of the individual to emotionally manage the shift from one culture to another. Expatriate performance is assessed by evaluating technical performance, organizational commitment, motivation and managerial performance.

Expatriates who report a greater capacity for cross-sociocultural adjustment will have less desire to terminate their assignments than expatriates with a lower capacity for adjustment.

Performance is also dependent on the expatriate's capacity for cross-sociocultural adjustment. Psychosocial workplace strain will have a negative impact on the expatriate's ability to adjust, both at work and in general.

It is therefore likely that expatriates who are better adjusted to the foreign environment will be able to accomplish their tasks more efficiently.

Preparing employees for the cross-sociocultural shift is key to managing psychosocial risks, and is discussed in detail in the section on *Prevention strategies* on pages 14–16. However, the personal dispositions of the individual and the unique environmental circumstances in which they are placed will also play an important role.

Potential triggers of psychosocial consequences

Due to the nature of psychosocial risks it is important to get an understanding of the potential triggers. These fall into the following three categories:
1. Individual factors
2. Cultural factors
3. Organizational factors.

Individual factors

Individual factors include both mental and physical aspects of the individual, as described below.

Physical health

General poor physical health, or untreated chronic diseases or other physical aspects (e.g. lifestyle-related issues) have the potential to trigger psychological reactions. For example, an individual with diabetes may find the disease becomes harder to control after moving to a new country with different food and eating habits. It is also well recognized that the physical condition of a person has an impact on the psychological state of that individual.

Psychological resilience

The psychological resilience of an individual is an important factor influencing their psychological reaction and ability to cope in difficult situations. Resilience is the ability to bounce back in difficult situations, and to be adaptive in times of change, e.g. by demonstrating flexible behaviour. This does not mean that the individual does not experience distress or difficulties; however, individuals with high levels of resilience have coping strategies that will decrease the likelihood of experiencing severe psychological symptoms or being diagnosed with psychiatric disorders. A higher level of psychological resilience has a protective effect on these psychiatric disorders. On the other hand, low levels of resilience and a lack of

ability to cope with stressful situations are potential triggers of negative reactions and dysfunction in a new environment.

The experiences associated with expatriation, such as moving to a different country, and changes in climate, culture, job, family structure and language can, alone or in combination, constitute a life-changing event—i.e. an event which alters a person's life or circumstances in a substantial way. Such events can potentially evolve into triggers of underlying mental vulnerability, e.g. depression or anxiety. However, the risk is difficult to quantify as it depends on the level of psychological resilience of the individual.

Relationships

Single expatriates travelling to remote locations are potentially more at risk since they will not have the same level of support in terms of daily contact with family members. However, as described above, the individual's level of psychological resilience plays an important factor here as well. (See also *Poor family integration*, overleaf.)

Cultural factors

A variety of cultural factors relating to the new environment, either alone or in combination, can trigger reactions in an individual as described below.

Unfamiliar cultural practices

Unfamiliar cultural practices can act as potential triggers. For example, differences in gender roles can be an issue, and it can be difficult to integrate into a local community which has few other international citizens. Language is another important factor, both in the workplace and in society in general. These factors can be stressful and may, for example, activate feelings of loneliness, posing a risk of depression.

Poor family integration

If the expatriate is accompanied by his or her family, the family's ability to integrate into the new society is a key factor influencing successful expatriation. (See also the paragraph on *Relationships* on the previous page.)

Dysfunction within the family is a potential trigger for psychological reactions and is one of the most common reasons for early return, often more than dysfunction in the employee him/herself.

The well-being of an expatriate worker's partner will naturally be of high importance to the expatriate and can have an impact on the success of the expatriation. It can be as challenging for the partner as for the expatriate to adjust to a new environment and culture, especially if the new culture differs markedly from the culture of origin in terms of gender roles, habits, work culture, etc.

An expatriate's partner may not necessarily have a job in the country of assignment, and may therefore have no natural way of integrating into the community. This presents a risk for the 'travelling spouse' of feeling isolated or alone. The psychological impact on the partner will most likely cascade to the expatriate, and may have a potentially negative impact on the relationship. Thus the relationship itself, and not just the well-being of the individuals involved, may suffer from exposure to the new circumstances.

Returning from an expatriation can also trigger a potential psychosocial reaction. The process of readjustment to life in their home country, as they reflect on the things they enjoyed and learned abroad, carries the risk of triggering underlying psychological vulnerabilities.

Social conditions and country infrastructure

The limited infrastructure in a foreign country, and the quality of hospitals, schools and housing facilities together with security concerns and hardship factors, can all function as potential triggers of stress.

Extreme environmental conditions

Employees mobilized to locations which have an extreme or markedly different climate to their country of origin may find this experience stressful, particularly in remote or isolated locations such as the Arctic.

Organizational factors

Organizational factors include poor communication, low levels of support for problem solving and personal development, weak management, and lack of definition of, or agreement on, organizational objectives. These important psychosocial factors pose a risk of triggering underlying vulnerabilities within the individual.

Adjustment to the new function/role

It should not be forgotten that expatriation also involves the usual challenges associated with job changes in general, i.e. adapting to a new role, new tasks, new manager and new colleagues, and perhaps even a new location. The combined effect of these challenges with those of moving to an unfamiliar country and working environment may increase the potential for triggering a psychological reaction.

Adjustment to the work environment (physical and social aspects)

Both the physical and social aspects of the new working environment should be considered as potential triggers. For example, differences in dress code, the main language used at work, a move to an open office, offshore visits, etc. could all fall into this category.

Prevention strategies

Psychosocial hazards are important in the oil and gas industry and need to be managed effectively. Minimizing these hazards as much as possible is essential to avoid their impact on an individual's health, well-being and working capacity, not to mention the considerable personal and financial cost involved in an assignment.

Prevention strategies aim to avert, or at least reduce, psychosocial risks at different stages of the expatriation. They provide a framework to develop a preventive policy, from the selection of candidates through to the end of expatriation (i.e. the expatriate's return to his or her home country, or a move to the next assignment). Such a policy should cover early identification of situations where additional review or support may be appropriate, the management of psychological injury cases, and the decision to terminate the expatriation if this should be deemed necessary.

In order to establish the right prevention and intervention strategies, it is important to have an understanding of the potential triggers described in the previous section.

Due to the nature of psychosocial risks, it is not feasible to apply a causal linear response approach as a basis for establishing the required control measures. Instead, a multidimensional approach must be applied in order to comprehend as much as possible the unique combination of triggers and circumstances that may come together in a given case. This document does not attempt to provide a comprehensive analysis of such an approach, but suffice to say that every individual is different and each individual's characteristics relating to their personal disposition and behaviour must be properly taken into account.

As the debate on specific prevention strategies to manage psychosocial risks for expatriates is still in its infancy, and formal guidance still somewhat limited, the prevention strategies described in this document are based on an industry comparison designed to identify good practice amongst 12 oil and gas companies.

The prevention strategies will target the different triggers as described below.

Individual factors

Individual factors are naturally the most difficult for a company to manage.

Physical health

A medical fitness assessment prior to expatriation should be considered. This should focus on physical and mental health status, chronic diseases, drug and alcohol abuse and other physical aspects (e.g. lifestyle-related issues). Following the assessment, a medical fitness certificate for expatriation can be issued.

Psychological resilience

The psychological resilience of an employee is difficult to quantify. Specific coping strategies should be offered to all employees, with a particular focus on at-risk groups (e.g. expatriates) as applicable. This may involve:
- Completion of a health questionnaire: if an issue is identified, specialist advice on psychological or psychiatric issues should be requested.
- A clinical interview: specialist advice may need to be sought, as necessary.
- Consulting with medical specialists: if there is a possibility of substance misuse (e.g. alcohol or drugs), consult the company doctor, contract an independent specialist, and await their reports.
- Provision of resilience training: this can help to raise awareness of symptoms and coping strategies for dealing with work-related demands.

Relationships

Social support is recognized as a preventive factor for psychological dysfunction and mental health problems. Social support may be provided from within the expatriate's family or by significant others. However, the level of support in the workplace can also be important and should be promoted in locations with large numbers of expatriates, e.g. through employee committees, social events, spouse communities, expatriate-focused employee support programmes (EAPs), the human resources department, occupational health services, etc.

Cultural factors

Cultural factors relating to the new environment must be taken into account when preparing for expatriation.

Informing about new cultural practices

It is recommended that formal sociocultural awareness information be provided to the expatriate and his or her family members. This should include information on religious practices and the local culture, in case they differ from those in the country of origin.

Improving family integration

For successful expatriation, it is important to include the spouse and children in discussions prior to the move, and also to ensure that they will be able to get support at the location if needed. A familiarization visit may be helpful in some situations.

If the family chooses to remain in the home country while the employee goes on assignment, a clear description of the frequency of holidays, working hours, etc. should be developed for the expatriate.

It should be remembered that an accompanying partner may not necessarily have a job lined up at the new location, and may therefore have no natural way of integrating into the community. These issues should be discussed prior to the expatriation, so that the partner can be assured of help coping with the challenges of integration or with finding a job, if required.

Social conditions and country infrastructure

As the infrastructures in certain developing countries are limited, companies should conduct assessments of these factors prior to expatriation, and judge them against international standards.

Providing the expatriate and his or her family with detailed information on the infrastructure, and social conditions in the country of assignment is an important preventive action. This should include information on:

- health risks, medical coverage, etc.;
- the availability of sports and cultural activities;
- hygiene, food and communication;
- schooling issues;
- opportunities for the spouse to find a job;
- relocation service (to provide help with accommodation, immigration issues, school applications, etc.);
- company support for the expatriate's contact with his or her home country, e.g. by providing flights home; and
- flexible contract types, e.g. rotator schemes (especially for specific offshore positions).

Extreme environmental conditions

If an employee is considering an assignment in a location where the environmental conditions are extreme, it is vital to ensure that they are adequately prepared for such an assignment. Before mobilizing employees to such locations, it is essential that they are provided with awareness training and comprehensive information on the location and its environment. Consideration should also be given to familiarization visits. In some extreme remote locations (e.g. the Arctic), special qualifications/competencies and fitness-to-work assessments for suitability may be required.

Organizational factors

Expatriates often hold positions of strategic and technical importance to the company, and failure to complete an assignment is likely to have a huge impact, e.g. on the organizational effectiveness of the company. The following prevention strategies should be considered when developing the company's expatriation policy.

Adjustment to the new function/role

Clarity on the specific requirements, expectations and career development opportunities associated with the expatriation plays a key role in individual success. The employer should ensure (e.g. via the human resources department) that the expatriate has a clear understanding of his or her responsibilities in new job position, together with any opportunities for career development. On arrival, the line managers/human resources department should brief the expatriate on the working environment and cultural specificities.

Adjustment to the work environment (physical and social aspects)

Expatriation should not be considered as a burden, but as a challenging experience in the normal career development perspective of motivated employees in the oil and gas industry. Lack of motivation could become a major cause of failure.

Adjustment to both the physical and social aspects of the work environment should be addressed in the orientation procedure organized by the employer.

In this context, evaluating the desire for expatriation and investigating past history are essential, but not sufficient in all cases. Case-by-case consideration, involving the participation of the human resources department, company doctor, line manager, etc., will also be required.

The desire for expatriation may be assessed using different methods, for example through informal conversations addressing specific concerns from the individual, cross-cultural adaptability, and specific themes associated with the region or culture within the country of expatriation. In some companies expatriation is thought of as a 'stretch assignment' to develop people within the company, and is aligned with the need for technical expertise in certain parts of the business.

Intervention strategies

Establishing an effective intervention strategy is instrumental in providing a professional response in the event of an employee suffering from a psychiatric disorder, acute stress, anxiety, etc. Such cases are often referred to as 'psychological injury cases'. The process of managing these cases can be led by the human resources department, occupational health advisers or by management, depending on the organizational structure of the company or its culture. However, all parties, including the employee's GP and other relevant external parties, together with input from the company EAP (if available), should be involved. The process consists of three main steps:

1. Immediate actions
2. Rehabilitation phase
3. Reintegration phase.

Whether the process is coordinated by the human resources department or occupational health advisers, it is recommended that the principles described below be followed when managing a psychological injury case.

The principles of handling a psychological injury case

- The case should be handled **efficiently**, and action should be taken involving occupational health expertise as soon as the issue has been reported (any delay should have a valid reason).
- The human resources professionals or occupational health practitioner should conduct any necessary **investigation** to determine the facts of the case, while supporting the employee and his or her manager in managing the situation.
- There should be adequate and consistent **follow-up** and **monitoring** of the situation.
- A **reintegration-to-work** process should be developed well in advance of the employee's return to work.
- All personal data should be stored and treated with sensitivity and **confidentiality.**

Immediate actions

A clear procedure regarding the immediate actions that need to be taken is important to establish clarity for both the employee and the organization.

Furthermore, a consolidated policy and accompanying procedures should define the minimum requirements and competencies for handling psychological injury cases. In some countries, such policies will be established and based on legal requirements.

The immediate actions following a psychological injury should focus on:

1. creating clarity around the situation and with regard to the current state of the employee;
2. establishing immediate support for the employee (in some cases including family); if EAP services are available in the company, a referral should be initiated as soon as possible.

Clear communication of the process and steps involved for the expatriate and family is crucial in creating a safe environment. Furthermore, special attention should be placed on establishing a good dialogue with the employee.

In remote locations, establishing the necessary immediate support may be a challenge due to, for example, language difficulties or access to expert psychiatric support. It is important that

these factors are taken into account in the country entry assessment from a medical perspective. If counselling and expert treatment for, e.g. psychotic symptoms suggestive of mania, are not present in the country, a systematic evacuation process should be established to secure the safety of the expatriate.

Furthermore, the availability of specific tele-psychiatric support from the home country will be useful for expatriates in locations lacking the appropriate treatment facilities. The company EAP should also provide expert expatriate services for the employee and his or her family, including advice on cultural differences, cross-cultural adaptation reactions, etc.

Rehabilitation phase

The purpose of the rehabilitation phase is to stabilize the employee through treatment, e.g. counselling and/or medication. This will, in most cases, require that the employee be off work, either in the home country or in the country of expatriation, depending on the prognosis and severity of the case. During the rehabilitation phase, frequent follow-up meetings with the human resources department, the employee's manager and the occupational health practitioner should be scheduled and conducted to support the employee's safe return to work as early as possible. During the rehabilitation phase, the employee should undergo a treatment plan which is verified and supported by the occupational health department and/or the employee's GP.

In some severe cases, e.g. psychosis, the employee will need to be transferred to the home country as a precaution against the potential presence of an underlying risk. Any decision made to transfer the expatriate (including his or her family, as appropriate) to the home country should be based on a detailed risk assessment.

Reintegration phase

A plan to reintegrate the individual into his or her assigned position of work, or into an alternative position, should be initiated quickly after the incident. Such a plan should already have been prepared during the rehabilitation phase. Research shows that the longer an individual is away from work, the more difficult, or even the more unlikely, will be their ultimate return to work. The reintegration-to-work plan should be developed with input from occupational health department, the company EAP, the employee's manager, the employee and the human resources department. In some countries, predefined fitness-to-work certificates are available for this purpose.

An assessment should be made about whether the expatriate will be able to return to the role that he or she left as a result of the incident; in most cases this will require a graduated approach taking into account specific tasks, hours and environmental factors. If the incident has been due to environmental factors, it is unlikely that the employee will be able to stay in the country of expatriation.

Follow-up

After the employee has been reintegrated into his or her former position, or into an alternative position, the case owner (either the occupational health services or human resources department) should monitor any changes to the situation over a period of 3–6 months. Changes in performance expectations or in the position itself may be necessary as an outcome of the reintegration to work plan.

It must be highlighted that every case is unique, and the above strategies should be put into the specific context of the situation, taking careful account of the individual's characteristics and circumstances.
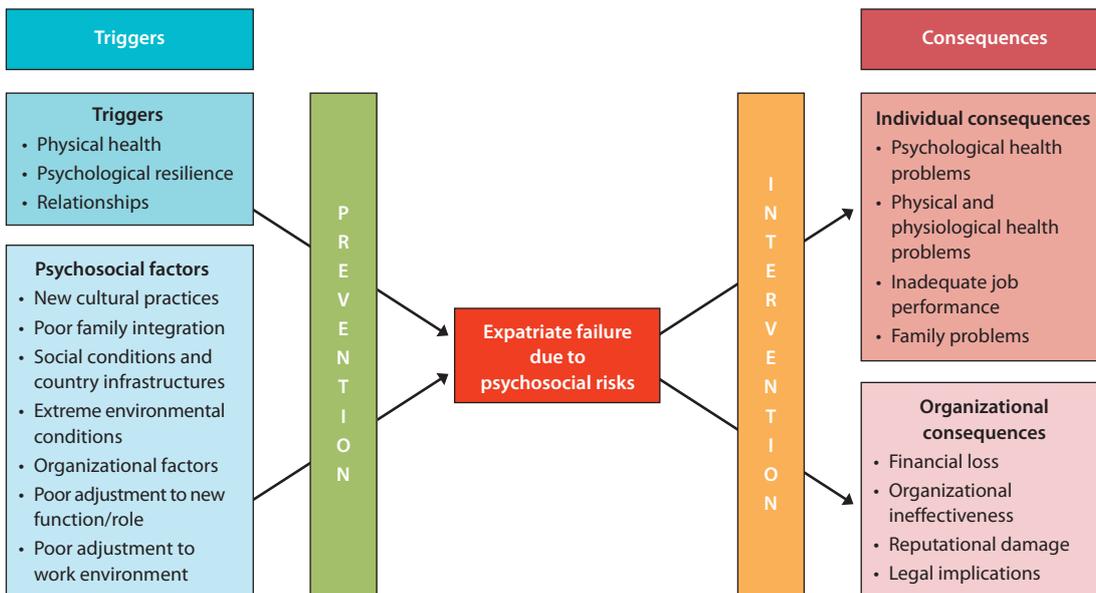
Conclusion—managing psychosocial risks

Managing psychosocial risks associated with expatriation requires a strategy with the ability to navigate a high level of complexity. The strategy described in this document is founded on a risk-based approach targeting potential triggers, and applying prevention and intervention strategies to manage the potential consequences associated with psychosocial risks.

This strategy is visualized in the model below. Developing a prevention programme should be based on a comprehensive risk assessment of the potential triggers.

As emphasized in the section on *Prevention strategies* on pages 14–16, which is based on a comparison of 12 oil and gas companies, it is clear that different preventive actions are applied across the industry to manage the complexity of psychosocial risks. This document presents an overall approach to managing the described risks. However, each company is advised to establish a programme which meets its own specific needs and risks, based on geographical, organizational and cultural characteristics.

Figure 1 *Example of a typical model for managing psychosocial risks*

Triggers			Consequences
Triggers • Physical health • Psychological resilience • Relationships	P R E V E N T I O N	I N T E R V E N T I O N	**Individual consequences** • Psychological health problems • Physical and physiological health problems • Inadequate job performance • Family problems
Psychosocial factors • New cultural practices • Poor family integration • Social conditions and country infrastructures • Extreme environmental conditions • Organizational factors • Poor adjustment to new function/role • Poor adjustment to work environment			**Organizational consequences** • Financial loss • Organizational ineffectiveness • Reputational damage • Legal implications

Expatriate failure due to psychosocial risks

Annex: Case studies

Case study 1: Inability to perform the task due to the challenges of a new environment

'Philip' was Chief of Department in an Africa business unit. One year after he started his expatriate assignment, he showed difficulty in managing people and company partners in the new cultural context. He sought help from his company, which tried its best to diminish his scope of work and to reassure him. He developed a depressive condition and ultimately decided to return to his home country (early termination of expatriation). Upon return to his country, he wanted to rid himself of all of his past: he sold his apartment and was divorced from his wife.

Case study 2: Job overload

'Bruce' was a highly valued manager who had accepted a position overseas, accompanied by his spouse and their three young children. Prior to his expatriation he had been declared anxious (borderline depressive) on the occasion of a stress observatory test at his annual checkup. He had previously been successfully expatriated for three years in an English-speaking country.

After two months in his new position, he had difficulties managing his 20-strong team, and he avoided meetings due to communication problems (declaring himself unable to speak English). He decided to take some days off with his family, but upon his return to work he noticed no change in his mental condition and behaviour. He then decided to speak to the company doctor by telephone and the decision was taken to terminate his expatriation. Bruce was then referred to a psychiatrist who prescribed depression therapy and one month's sick live.

He is today being followed up by a psychiatrist and monitored by a company coach to help him to manage his work-life balance and avoid work overload.

During his rehabilitation period, he was offered an intermediate job position and gradually took on more responsibility.

Case study 3: Stress due to misfit

'Michael' was expatriated for the first time to a strategic job position as an engineer. From the beginning of the assignment, he recognized that the job was highly demanding and he felt the need for help. The company did not respond significantly due to overload of work in the business unit. Michael developed symptoms of anxiety. He made several visits to the local clinic to discuss his symptoms with the expatriate doctor, and although generally smiling, he was obviously anxious. A severe symptom was nail-biting. The situation worsened and the employee began to experience somatic problems as well as psychological strain. Michael was given anxiolytic therapy. The situation deteriorated and had a negative impact on his wife who developed psychosomatic troubles. Expatriation was terminated after one year.

Case study 4: The impact of sudden change in the sociocultural environment

'Charles' was an electrical technician, recruited for three years expatriation in Africa with his wife and two children aged 13 and 14 years. Family adaptation looked excellent. Charles, a highly communicative person, integrated quickly into a cosmopolitan expatriate community, mainly consisting of engineers with whom he developed active social relationships after office hours—something that would have been untypical in his previous life. His family was fascinated by such social ascension, and Charles became more and more appreciated by the expatriate community.

Originally, the assignment was scheduled to last for three years. However, the expatriation was extended for a further three years.

After expatriation, the family returned to their previous life at home, and to their previous 'social rank'. This return to reality had a rapidly devastating effect: Charles became addicted to alcohol, his wife divorced him, and his daughter (18 years old at that time) became anorexic and died a few months later. His son was able to manage the situation and is now perfectly adapted to his own professional life.

Case study 5: The risk of expatriation when children are unsupervised

'John', aged 15 years, had previously travelled with his family on an expatriate assignment to Asia. He returned with them for a second assignment some years later. His father was highly successful during his assignment and was promoted to managing director of the business unit. Both parents were infatuated with the expatriate lifestyle, abusing marijuana. Unfortunately, they did not realize that John was in great danger.

Several months later, John started using cocaine. This eventually turned into an addiction, and he became totally unable to follow any schooling. He was described by his psychiatrist as a 'son of', referring to the destructive dominance of his father.

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IPIECA

IPIECA is the global oil and gas industry association for environmental and social issues. It develops, shares and promotes good practices and knowledge to help the industry improve its environmental and social performance, and is the industry's principal channel of communication with the United Nations. Through its member-led working groups and executive leadership, IPIECA brings together the collective expertise of oil and gas companies and associations. Its unique position within the industry enables its members to respond effectively to key environmental and social issues.

5th Floor, 209–215 Blackfriars Road, London SE1 8NL, United Kingdom
Telephone: +44 (0)20 7633 2388   Facsimile: +44 (0)20 7633 2389
E-mail: info@ipieca.org Internet: www.ipieca.org

OGP

OGP represents the upstream oil and gas industry before international organizations including the International Maritime Organization, the United Nations Environment Programme (UNEP) Regional Seas Conventions and other groups under the UN umbrella. At the regional level, OGP is the industry representative to the European Commission and Parliament and the OSPAR Commission for the North East Atlantic. Equally important is OGP's role in promulgating best practices, particularly in the areas of health, safety, the environment and social responsibility.

London office
5th Floor, 209–215 Blackfriars Road, London SE1 8NL, United Kingdom
Telephone: +44 (0)20 7633 0272   Facsimile: +44 (0)20 7633 2350
E-mail: reception@ogp.org.uk   Internet: www.ogp.org.uk

Brussels office
Boulevard du Souverain 165, 4th Floor, B-1160 Brussels, Belgium
Telephone: +32 (0)2 566 9150   Facsimile: +32 (0)2 566 9159
E-mail: reception@ogp.org.uk   Internet: www.ogp.org.uk