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**TOWARDS A PARADIGM FOR THE USE OF BEST PRACTICES
IN EXPATRIATE MANAGEMENT:**

A STUDY OF FOUR CANADIAN MULTINATIONALS

CORINNE ABIKHZER

A Thesis

In

The Faculty

of

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**Presented in Partial Fulfillment of the Requirements
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ABSTRACT

Towards a Paradigm for the Use of Best Practices in Expatriate Management : A Study of 4 Canadian Multinationals

Corinne Abikhzer

Organizations are increasingly seeking business opportunities in foreign countries. As a result of this trend, human resource professionals in international firms are faced with the pressing challenge of recruiting, selecting, training, assessing performance and managing the careers of international employees. Both the domestic and international human resource literatures are reviewed with the intent of identifying the “best practices” for expatriates. Using a multiple case study approach, this research examines the international human resource practices of Canadian MNCs and explores the reasons why these organizations have adopted the practices they have. Data from questionnaires, focused interviews, participant observation and existing documents were used to compare the research questions to the practices of Canadian MNCs. The qualitative results guide the development of the final paradigm. As hypothesized, all “best practice” variables were found to apply in Canadian MNCs, albeit to differing degrees. New variables were also identified. The final paradigm details these findings. The implication of these findings for Canadian MNCs and for international organizations in general are discussed. The implications for international human resource literature and for practical use are also explored. Future research suggestions are provided.

**Dedicated to my parents for their love and support and to my husband for his
patience and encouragement during the completion of this work.**

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1.INTRODUCTION

Globalization is encouraging Canadian corporations to seek business opportunities in foreign countries in order to remain competitive (Kidger, 1990). This trend has created an increasing need for international managers who are willing to relocate; are able to adopt an international outlook, and work with persons from diverse cultures and backgrounds. A pressing challenge facing human resource professionals in international firms, and the problem that is addressed in this research, is how to recruit, select, train, and specifically how to manage the careers of expatriates who will be effective on foreign assignments.

The management of *international* careers is more complex than for domestic careers for a number of reasons. One reason is that the degree of failure is much higher and also much more costly than in the domestic realm. Another reason is that, international relocations require that the expatriate be properly trained both in the technical aspect of their jobs, but also in the cultural environment in which they will be working. Often however, the training they receive is quite minimal (Rehany & Saks, 1994). When an expatriate assignment fails, it is often due to factors that are not present to the same degree in domestic relocations: namely, culture shock and the emotional stress that typically accompanies it (Gregersen & Black, 1990). The consequence of culture shock- expatriate failure, or early return home can be very expensive. Costs for training, salary and relocation can amount to \$80,000 U.S. depending on currency exchange and location of the assignment (Mendenhall and Oddou, 1985). Other, less

directly measurable costs include loss of market share or difficulties with host government officials (Zeira and Banai, 1984).

In addition, the expatriate himself (or herself) may suffer from lower morale, discouragement and loss of prestige among peers. These factors may cause his/her performance at home to suffer as well (Mendenhall and Oddou, 1985).

Ultimately, these outcomes may also deter other employees from willingly accepting international assignments. For the above reasons, the human resource management needs of the international employee are clearly both critical and complex.

Although failed assignments are a fairly recurring problem, Tung (1981) found that this is more significant for U.S. firms than for European and Japanese firms. Moreover, the literature indicates that despite repeated calls from theorists to implement « best practices » for international human resources management, American organizations are slow to respond (Harvey, 1989).

Most of the literature in this area has been based on American, Japanese, or European firms (Tung, 1981). While there is a need to identify why organizations in general are responding so slowly, it is particularly important to determine whether Canadian firms are similarly reactive in their response and if so, what their reasons might be. Namely do Canadian MNC's implement the « best practices » of international human resource management policies that are advocated in the literature? If so, precisely how do they implement them and why do they so? If not, then why not? And are their reasons for implementing or not implementing them similar to those suggested in the literature? Answers to these questions will go a long way toward helping Canadian firms to become more competitive in the international arena.

1.1 Research Objectives

The purpose of this research is to provide an in-depth description of the international human resource management practices of Canadian multinationals in order to; (1) learn precisely how closely Canadian international human resource management practices correspond to the « best practices » in domestic HRM and international HRM described in the literature; (2) learn why firms have adopted the expatriate management practices that they have; and, (3) determine how thoroughly they evaluate their chosen courses of action (if they are being evaluated at all).

Toward that end, both the domestic and international human resource literatures are reviewed with the intent of identifying the « best practices » for expatriate management. This review is followed by a set of research questions, which address the objectives outlined above. The specific HR policy areas that were addressed included : expatriate job analysis and descriptions, recruitment and selection, training, performance appraisal, career development (including the process of repatriation), and human resource planning (including projections of supply and demand of expatriates). A qualitative study design is then described, which outlines the present investigation of the international HRM policies of Canadian MNC's. Specifically, the methodology section describes the subjects chosen, the procedure, the measures used and the proposed method of analysis. In the discussion section, expected theoretical and practical implications stemming from this research are summarized, and suggestions for future research are offered.

2. LITERATURE REVIEW

This chapter reviews the international human resources management literature in the areas of job analysis and descriptions, recruitment and selection, training, performance appraisals, career development and human resource planning. The objective of this review is to summarize the set of “best practices” for managing expatriates that have been identified by researchers. Research questions are then presented in the next chapter, to explore the extent to which, and reasons why Canadian MNCs adhere to these practices. Where the literature is lacking, exploratory speculations will be offered as to *why* Canadian MNCs might or might not adhere to these practices.

2.1 JOB ANALYSIS, JOB DESCRIPTIONS, JOB SPECIFICATIONS

2.1.1 Job Analysis & Job Descriptions

Job Analysis is the building block upon which reliable and valid selection predictors are created. It may thus be regarded as the first step in being able to select individuals who would be successful job performers (Gatewood and Fields, 1994). The organization seeking to create the expatriate assignment must be careful to define not only the technical aspects of the job, but also the adaptability and cultural demands involved in an international assignment (Lobel, 1990). The latter is particularly important in an international assignment because the costs of failure due to cross-cultural maladjustment can be so high (Tung, 1981).

Once the job has been analyzed, a job description is created. The job description must include the duration and environmental conditions that characterize the expatriate

assignment because these are factors that may create the need for a different skill set due to the U-curve of adjustment (Black and Mendenhall, 1991). Once the characteristics of the assignment are specified in the form of a description, recruiters then identify the specifications needed for a candidate to be a « good fit » for the job with greater success. A content valid expatriate job specification would be one which refers to both technical and interpersonal knowledge, skills and abilities.

2.1.2 Job Specifications: Knowledge, Skills, and Abilities for International Effectiveness

Most expatriates seem to be chosen on the basis of their technical abilities alone (Tung 1981; Harvey 1985; Miller 1972, Zeira and Banai, 1984). Part of the problem may be that there seems to be little agreement on the precise criteria used for selection of expatriates (Dowling and Schuler, 1990; Mendenhall and Oddou 1985). There is no definitive list of knowledge, skills and abilities that should be required of expatriates. Nonetheless, many criteria have been suggested as important for the selection of expatriates. Accordingly, including these competencies in the job specifications may be regarded as a “best practice” that is recommended by the literature.

Hammer, Gudykunst and Wiseman (1978) cite non-judgementalness as an important attitudinal factor, and in the same vein Hawes and Kealey (1981), mention respect for the host culture as an important attitude. Criteria marking successful cross-cultural adjustment have been outlined by Feldman and Thomas (1991, p.277), including: “positive work attitude, moderate stress level to enable effective functioning, and ability to interact with members of society.” Hannigan (1990), reported that social skills were found to play a part in success with people from other cultures as did attitudes of the

sojourner. Furthermore, Hannigan (1994) cites Cleveland, Mangone and Adams' (1960), study of Americans living and working abroad which points to cultural empathy as one of the five major components of intercultural effectiveness. Unfortunately, these aforementioned personality variables are vaguely defined (Deller, 1997). It is no surprise that researchers in the area have called expatriate selection an extremely difficult if not an almost impossible task due to the plethora of competencies available (Benson, 1978).

Researchers such as Ones and Viswesaran (1997); Black (1990); Kealey (1988) and Mendenhall and Oddou (1985) have made extensive efforts to summarize the literature on the personal characteristics of successful international workers and have agreed on the following list:

- Flexibility, respect for others and open-mindedness;
- The ability to cope with stress; and
- The ability to deal with cross-cultural interpersonal conflicts.

The above competencies address the KSA (knowledge, skill, ability) aspects of any job specification listing. However a full set of specifications includes KSAO's, the latter of which refer to "other" motivational constructs. Thus Mendenhall and Oddou (1985) recommend that; the willingness and ability to communicate with people of different cultures; and the willingness to try new things; also be considered part of the overall specification.

The willingness of expatriates to relocate should also be very important to organizations because of the dysfunction that lack of such willingness can cause to both the expatriate's family and to the organization itself (Borstorff, Harris, Giles & Feild, 1997). In short, Borstorff et al. (1997) propose that the candidate's reasons for accepting

an international assignment has important implications regarding his/her success. Expatriate assignment willingness and perceptions of spousal and organizational support in this study were measured using a multidimensional multi-item measure. A 6-point Likert response scale was used for all attitudinal items.

Adler (1986), has also conducted a series of empirical studies pertaining to the willingness of individuals to accept an international assignment and inquired about the factors that determine the final decision to accept or not. She found that among MBA students from the U.S., Canada and Europe, the students who were most interested in expatriate assignments usually had a specialization in international management. They were more likely to have a parent who had worked internationally, may have lived abroad themselves, and were also more likely to speak many languages. Furthermore, these individuals showed less concern about stress of their spouses and living in “bad” conditions.

Therefore, the other personal factors that should be included as job specifications are:

- Educational background (preferably a specialization in international management);
- International experience;
- Many spoken languages; and
- Low concerns about living conditions or stress to spouses.

An exploratory study of several years ago has shown that few Canadian firms take the time to develop formalized job descriptions and to specify interpersonal as well as technical knowledge skills and abilities, let alone assess person-job fit for the specific job

or job context (Leclair and Lituchy, 1996). However, it remains unclear whether this problem persists or why Canadian MNC's do or do not follow these procedures.

2.1.3 Summary of Best Practices for JA, JD and JS

Thus, to summarize, the "best practices" for this section include; a) using a job analysis procedure to produce job descriptions with clear role objectives, and b) including the full set of KSAOs for the job specification that are recommended by the literature. These are, interpersonal (e.g. flexibility, respect for others and open-mindedness), motivational (e.g. willingness to try new things), and technical (e.g. language) KSAOs.

2.2 RECRUITMENT

Once the specifications have been set out, the process of recruitment must be conducted to generate a pool of applicants who meet these specifications. The major purposes of recruitment are: " (1) to reduce the percentage of applicants who are either poorly qualified, or have the wrong skills, (2) to get as many qualified applicants as possible at a minimum cost, and (3) to meet social and legal obligations" (Gatewood and Feild, 1994, p.8). A number of factors have been shown to lead to effective recruitment outcomes in domestic firms. These will be summarized below.

2.2.1 The Recruiter

Applicant reactions play a significant role in recruitment effectiveness. The greatest effect on applicants' reactions stems from the personality traits and interpersonal behaviors of the recruiter. Characteristics such as supportiveness and empathy have been

connected with factors that directly affect job acceptance or concern for the job (Gatewood and Feild, 1994). It is not clear however who is responsible for the recruitment of expatriates in Canadian firms, or what qualification recruiters possess. Clearly, the use of qualified recruiters may be considered a “best” practice.

2.2.2 Realistic Job Previews (RJPs)

Another factor which has been shown to lead to effective recruitment is the use of RJPs. In the domestic context, Dugoni and Ilgen (1981), have found that RJPs tend to create more accurate employee expectations, improve ability to cope with unpleasant circumstances, and create a sense of honesty within the organization, by allowing candidates to make informed self-selection decisions. These factors appear to be important for expatriates as well. According to Schrujjer and Hendriks’ (1994) research, success of recruits could be enhanced if information on the following topics is given in the context of a realistic job preview:

- Career development
- Political conditions
- Quality of living conditions (e.g. medical facilities)
- Difficulty of spousal adjustment
- Length of assignment

Schrujjer and Hendriks (1994) studied if and how 109 British managers from 50 different organizations were willing to accept an international assignment. They found that refusal of an international assignment was due to factors such as: the unwillingness of a spouse to emigrate, unstable political conditions and poor medical facilities.

Acceptance was mainly due to the perception that an international assignment will advance their career. Schruijer and Hendriks (1994) also report that interest in going on an international assignment was related to expected length of time of the assignment. There was a strong interest in going on a foreign assignment, but not for extended periods of time. Approximately 3 years was the most extended time any manager was willing to stay. Thus, providing realistic information in the form of an RJP is one recruitment practice that may help reduce the number of employees who wrongly accept or refuse an international assignment. Use of RJP's may thus lead to more effective recruitment. Spousal willingness was another factor found to be associated with higher intrinsic expatriate assignment willingness. Tung (1982) reports that in the U.S. and Japan both the expatriate and his/her spouse are usually interviewed when managerial positions are in question. It is unknown however, whether the spouse's readiness for the assignment has an impact on the employment decision.

In the Canadian context, considering the spouse as a criterion for employment is considered to be discrimination against family status. According to the Canadian Human Rights Act (1994); "It is a discriminatory practice, directly or indirectly, (a) to refuse to employ or continue to employ any individual, or (b) in the course of employment to differentiate adversely in relation to an employee, on a prohibited ground of discrimination". Section (8) of the Canadian Human Rights act refers to "prohibited grounds of discrimination". This section includes both 'marital status' and 'family status' as grounds on which discrimination is prohibited.

Therefore, although the literature suggests that the use of a realistic job preview, which recognizes the critical role of the spouse in expatriate adjustment, may be regarded

as a “best practice” for international recruitment. The law suggests that Canadian organizations offer realistic information about spousal adjustment to potential expatriates as information for self-selection purposes only. Thus a modified “best practice” for Canadian contexts would apparently be to adhere to the literature’s recommendation, but not to treat the spouses’ as a criterion per se. At this point however, it is questionable whether any Canadian firms that are using RJPs distinguish between expatriates with spouses or with children or whether any attention is paid to the spousal issue at all.

2.2.3 Evaluation of Recruitment

Effective recruitment practices also include using sources of recruitment that provide the most effective and efficient yield ratios (Heneman and Heneman, 1997). In the international realm, one way this may be understood is in terms of selecting the appropriate mix of third country nationals, host country nationals and PCNs, such that perceptions of procedural justice (Dessler and Turner, 1992), are maintained while organizational performance objectives are met efficiently.

Thus, evaluation of the effectiveness of recruitment strategies should be a last step in the recruitment process. This step would determine which recruitment practices are resulting in desired outcomes, and help to eliminate those practices that have been unsuccessful. In the long term, this may save time that comes with operating on a trial and error basis, and help to avoid the costly consequences of expatriate failure. This step is thoroughly addressed in the domestic recruitment literature, but is seldom mentioned in the international literature. Nevertheless, it appears reasonable to regard the evaluation of recruitment practices as another critical “best practice” recruitment factor.

2.2.4 Summary of the Best Practices for Recruitment

In summary, there appear to be four critical recruitment practices that should be adopted. These include: a) a qualified recruiter, b) use of RJP for expatriate self-selection, c) use of RJP for self-selection of the spouse, and d) evaluation of recruitment (looking at yield ratios and assessing procedural justice).

2.3 SELECTION

The goal of selection is to be able to collect accurate information about competencies (knowledge, skills, ability and other motivational variables, sometimes referred to as KSAOs), that are predictive of job performance, and then decide on the most qualified applicants. This is done by testing the applicants with predictors that tap these competencies (Gatewood and Feild, 1994). The more content valid (i.e. complete and accurate) the data gathered, the better the assessment that can be made.

Cost and time considerations can constrain the extensiveness of data that can be collected as well as the appropriateness (i.e. reliability and validity) of the instruments used; accordingly, such limitations can affect the validity of selection decisions. Failure to fill expatriate assignments with qualified applicants who will adjust well cross-culturally can be very costly (Mendenhall and Oddou, 1985; Zeira and Banai, 1984). Although no Canadian figures on the cost of expatriate failures have been reported, (Kealey, 1988) there is no reason to believe firms in Canada are performing any better than Americans with their expatriate employees.

Therefore, this section will review the literature on selection methods used for selecting expatriates. As the literature review will show, predictive methods such as

interviews, paper and pencil tests (e.g. personality) and biographical data have been recommended as “best practice” for international selection. Unfortunately, literature suggests that few of these structured predictors have been used, but does not indicate why.

2.3.1 The Selection Interview

The characteristics of more effective interviews, according to domestic HRM research are as follows :

- The interview should be structured and based on questions that are job- related;
- The interviewer must be properly trained, and be able to take good notes;
- Filtering information about the applicant should be reviewed before; and,
- Any decisions should be delayed as long into the interview as possible (Dessler and Turner, 1984).

In the unstructured interview, the interviewer can ask any question and there is seldom a formalized scoring guide, therefore the interpretation of the answers can be subject to any type of extraneous influences (Gatewood and Feild, 1994). This interview method has limited validity. Reasons given include : the short period of observation, unskilled interviewer, lack of consistent probing across applicants or measurement errors such as the halo effect (Deller, 1997). The structured interview relies on a series of pre-determined job-related questions (Gatewood and Feild, 1994). Other ways interviews could be structured are : the same questions are used for all candidates, there is a panel of interviewers, the interviewers take notes, the answers to the questions are scored using anchored rating scales, and there is consistent administration for all interview sessions

(Campion, Purcell and Brown, 1988). A specific kind of structured interview method is the patterned behavior description interview (PBDI) (Janz, 1980). This method bases the identification of behavioral dimensions on a generated list of critical incidents that describe maximum or typical job performance. The questions used serve to probe into the applicant's past behavior, in order to predict future behavior in a similar situation (Gatewood and Feild, 1994; Campion, Campion and Hudson, 1994). The situational interview also identifies specific categories of job activities but it uses them to form situational questions about employee behavior in similar situations (Gatewood and Feild, 1994). The questions are therefore future oriented and hypothetical, but based on real organizational situations. It was found however, that the use of past behaviors to predict future behaviors using the behavior description interview results in a higher validity than future oriented questions (Campion, et al, 1994; Pulakos and Schmitt, 1995). Use of this form of questioning can help establish person-organization fit. The few studies that were conducted in this area found that for selection purposes, the structured interview is the most reliable and adds incremental validity to the selection process (Campion et al, 1994). The unstructured interview's lack of standardization causes it to be unreliable and subject to interviewer bias (McDaniel, et al, 1994).

Interviews appear to be commonly used in the selection of expatriates. They were reportedly used 100% of the time in Europe, 99% of the time in the U.S. and 71% in Japan (Black, et al., 1992). Based on these findings, LeClair and Lituchy (1995) set out to determine how true this is of Canadian firms. They similarly found that the interview was the tool most commonly used for selection for the fourteen firms they surveyed. Studies such as these however, rarely distinguish between types of interview used

(i.e. unstructured, structured, patterned behavior description interview, or situational interview). They simply say ‘interviews’ were used.

Even though the use of interviews for the selection of expatriates is very high, it is possible that the few studies in this area have found poor results because they have not used the most effective types of interviews (i.e. structured and oriented towards past behavior). Interviews are a good way to measure multiple factors that predict job success, so perhaps if organizations had used the most efficient types of interviews, they may have been a more effective tool in the selection process. Thus, the “best practice” for selection is the appropriate use of predictors such as interviews. Namely, interviews used for international selection purposes should be structured, with a pre-determined scoring guide, a panel of raters, and the use of PBDI-type questions.

2.3.2 Paper and Pencil Tests

In the domestic literature (Gatewood and Feild, 1994), the use of personality data has been marked with a difference of opinion. However, a meta-analytic review of personality measures as predictors of job performance conducted by Tett, Jackson and Rothstein (1991) found positive results for the use of personality tests in selection. Specifically, studies that based their selection of personality measures on job analysis obtained higher validities than those that did not.

In a survey of 80 European companies with international business interests, Gertsen (1990) found that personality tests are rarely used. Less than 20% of surveyed firms used them as a selection tool. In the Canadian context, LeClair and Lituchy (1995) found that only 18% of the firms they surveyed used standardized tests as a selection tool;

they employed a sample of 12 firms. In contrast, earlier research (Brewster, 1988; Tung, 1981) suggests that psychological tests are commonly used for promotion into international managerial positions. Moreover, Kealey (1988) argues that personality variables are relevant in the determination of overseas success. The key challenge, he claimed, was to accurately measure the relevant characteristics. Black et al. (1992) similarly noted that standardized tests can be reliable and valid if they specifically assess the factors that contribute to effectiveness overseas. Most studies have not used the most reliable measures of personality, so it is only normal that they will not find reliable predictors (Deller, 1997). Ones and Viswesvaran (1997) and Deller (1997) have researched the «Big Five» personality dimensions and found that using these dimensions allows for consistency among research efforts and provides a direct method of synthesizing results. The five personality dimensions are; (1) extraversion, (2) emotional stability, (3) agreeableness, (4) conscientiousness, and (5) openness to experience/ intellect or culture. Given Ones and Viswesaran (1997) and Deller's (1997) studies, using reliable and valid measures of personality is better, but this is not what Kealey (1988) reports firms are presently doing. Another "best practice" for selection therefore, is not only the use of personality tests for international selection, but more specifically the use of the more reliable and valid forms of those tests- such as the Big 5 form (Costa and McCrae, 1992).

2.3.3 Biographical Data

Biographical data inventories are a popular selection tool among personnel researchers as a means of predicting career success, however they have rarely been used

over a wide range of occupations (Childs and Klimoski, 1986). Sources of biographical data can be obtained from the performance evaluation (Black et al., 1992), from a biographical interview (Deller, 1997), or an application blank (Childs and Klimoski, 1986). Biodata inventories thus contain information about previous experiences, attitudes, beliefs and feelings about these experiences. Biodata items that are based on job analysis and theory tend to be more valid (Heneman and Heneman, 1997).

In the domestic context, research has shown that biodata validities are more generalizable across organizations than initially thought and more stable over time as well (Rothstein, Schmidt, Erwin, Owens and Sparks, 1990). This appears to be a good thing, as the literature suggests that methods such as biographical data are widely used in the internal selection of expatriates since past employee records are readily available (Dowling et al., 1994). What is less clear is whether Canadian firms use them, and, if so, whether they use this critical selection predictor in the recommended manner (i.e. use the more valid kinds of items, as described above).

2.3.4 Summary of the Best Practices for Selection

Thus to summarize, the “best practices” for selection are; a) appropriate use of the interview, (i.e. structured, with a pre-determined scoring guide, a panel of raters and the use of PBDI-type questions), b) use of reliable standardized personality tests (such as the BIG 5 form), and c) use of valid biographical data information (i.e. items based on job analysis and theory). In the next section, the HR area of training will be explored.

2.4 TRAINING

Planned training interventions are ultimately introduced to bring about changes in individual knowledge, skills and abilities. Effective training begins with a needs assessment phase, implements the training using experiential methods, introduces the training in a classroom or on-the-job format (depending on the specific objectives), and formally evaluates the training. Accordingly, training aimed at enhancing international competencies should use these “best practices” for training, which will be described in further detail below.

2.4.1 Needs Analysis

“A need can either be a current deficiency or a new challenge that demands a change in the way the organization operates” (Harris and DeSimone, 1994 p.88). Identifying needs involves examining the organization, its environment, job tasks and employee performance. It is used to establish priorities for expending HRD efforts, define specific training and HRD objectives and establish evaluation criteria (Harris and DeSimone, 1994).

Despite the importance of the needs analysis to the training activity, most studies addressing cross-cultural training for expatriates make no mention of this “best practice” step as part of their training intervention (Rehany and Saks, 1994; Tung, 1981). This suggests that the training offered may not be focused, may not have clear objectives and may not contain any clear criteria on which to evaluate the training.

2.4.2 Implementation of Training

The second phase in the training process, 'design and implementation', may deal with issues of content and scheduling (Harris and DeSimone, 1994). Training content may be imparted in a formalized manner (e.g. Classroom –based training) or in a less formalized manner (e.g. on the job training). Each of these two approaches will now be reviewed in terms of their usage in expatriate preparation.

Formalized Classroom- Based Training

Because of the large number of factors influencing the success of a sojourner, some theorists have argued that training should take place in a formal manner, prior to departure for the international assignment (Hannigan, 1990). Many different types of formal training exist. They range from informal briefings, cultural orientation, cultural assimilation, and language training to more participative methods such as sensitivity training and field experience (Harris and DeSimone, 1994). The method chosen may depend on time constraints, cost considerations and location of posting.

Studies show, however, that the higher the level of participation of the learner, the better the results. The level of trainee participation has been termed the "rigor" level of the cross-cultural training (Black and Mendenhall, 1990). More recently, Rehany and Saks (1994) developed a typology for assessing "rigor" of training and showed that the more rigorous training methods generally produced better results. Regardless of level of cross-cultural training rigor however, any cross-cultural training at all has been shown to significantly reduce failure overseas and increase adjustment. Ten of twenty-nine studies cited by Black and Mendenhall (1990), state that following training expatriates had a

“...greater feeling of well-being and self confidence.”

In terms of the prevalence of formalized classroom-based cross-cultural training however, studies show that little is done to formally prepare the expatriate (Tung, 1981).

North Americans have typically received less cross-cultural training in preparation for their foreign assignments than have the Japanese and Europeans (Rehany and Saks, 1994). Consequently, North American expatriates demonstrated a significantly higher failure rate as a result. Tung’s (1981) study also probed into the reasons for which U.S., European and Japanese MNC’s did not provide as much cross-cultural training for expatriates as they should if they provided any training at all. Differences in reasons were found for the three regions:

- Trend towards employment of local nationals (U.S 45%, European, 20%)**
- Temporary nature of such assignments (U.S. 28%, European 30 %)**
- Doubtful effectiveness of such training programs (U.S. 20%, European 20%, Japanese 37%)**
- Lack of time (U.S. 4%, European 30 %, Japanese 63%)**

In the Canadian context, expatriates are also provided with relatively little formal training prior to departure for their foreign assignment. According to Rehany and Saks (1994) who studied cross-cultural training effectiveness for Canadian expatriates in Japan, expatriates received less than two hours of training in techniques such as; role modeling, cases and critical incidents, culture assimilators, stress reduction, communication workshops, role plays and meeting former expatriates. Three other techniques were allocated somewhat more time; (i.e. factual briefings : 2-5 hours, language training: close

to one day, and field experience: 3-5 hours). Given that the use of experiential methods is considered to be a ‘best practice’ for training, it remains unclear why so little formalized cross-cultural training is being provided in Canadian firms, if at all.

On- the- job training

On-the-job training involves having a person actually perform a skill-based task on the job in order to learn that skill. When the objective is to impart technical knowledge, it usually involves the trainees’ supervisor or an experienced worker providing training (Dessler and Turner, 1984). Formal on the job training has two distinct advantages over classroom training : First, the trainee has the opportunity to practice the work tasks on the job therefore transfer of training will be easier . Second, no training facilities are needed, thus reducing costs (Harris and DeSimone, 1994). When the objective is to impart organizational knowledge, mentoring is often employed. In either case however, critical “best practice” for on-the-job training involves ensuring that the trainer or mentor is qualified to play a coaching role.

On-the-job training seems to be a more realistic « just in time » substitute for more formalized pre-departure training (Harris and DeSimone,1994), which may sometimes be difficult to plan or conduct in work environments that are dynamic (Leclair and Lituchy, 1996). The question of whether a “best practice” approach to on-the-job training is being used for Canadian expatriates’ cross-cultural assignments, however, must still be determined. The reasons for why firms opt for an on vs. off-the job (classroom- based) approach, and some indication as to how qualified the OJT trainers are, are also left to be explored.

2.4.3 Evaluation of Training

The evaluation of the training intervention is the third and final “best practice” phase of the training effort. It serves to measure whether the program objectives have been met and to what extent. According to Kirkpatrick’s (1987) model, a ‘best practice’ approach to the evaluation of training efforts would involve consideration of the following criteria : reaction, learning, job behavior, and results. Therefore, "careful evaluation provides information on participant reactions to the program, how much they learned, whether they use what they learned back on the job, and whether the program improved the organizations effectiveness" (Harris and DeSimone, 1994, p.90). Despite the richness of information an evaluation provides and the possibility for more informed decision-making. This “best practice” is an activity that is seldom performed by many domestic firms. Ignorance of the evaluation of training programs has been reported by a number of human resource development researchers (Goldstein, 1980; Latham, 1988; Wexley, 1984). It remains unclear how true this is of Canadian MNC’s international training programs.

2.4.4 Summary of the Best Practices for Training

In summary, the recommended “best practice” for international training programs are; a) performing a needs analysis, b) implementing a training program be it a formal classroom-based program (including active participation of the learner), or an on-the-job training program (with a qualified trainer or mentor) and d) evaluating the training (using Kirkpatrick’s criteria). In the next section, the HR area of performance appraisals will be reviewed.

2.5 PERFORMANCE APPRAISAL

The appraisal process is used to evaluate the job performance and future potential of the job incumbent and to make effective use of human resources (Harris and DeSimone, 1994). In the international context, conducting a fair performance appraisal is critical for both the career advancement for the expatriate and the competitiveness of the organization (Oddou and Mendenhall, 1997). There are several 'best practice' variables associated with this critical HR function. These include: instrumentation, timing of appraisal, content validity of performance dimensions, and qualifications of the rater.

2.5.1 Instrumentation

In the domestic context, the use of a behavioral observation type of scale is deemed to contribute to the most reliable and valid performance appraisals (Latham and Wexley, 1994). In the international context, performance objectives are also ideally set in a behavioral manner (Dowling et al., 1994). Therefore use of a behavioral observation type of performance appraisal instrument may be regarded as "best practice" for conducting performance appraisals.

2.5.2 Timing of Appraisal

According to Oddou and Mendenhall (1995), one of the many problems that arise with expatriate appraisal is that most senior managers lack international experience. Accordingly, they do not fully appreciate the value of experience over time in creating the specific skills necessary for success abroad, and they conduct the performance appraisal too early into the assignment, without regard to learning curves. The expatriate

is typically assessed before he/she has had time to learn all aspects of the job and achieve a functional level of performance (a level of performance which usually occurs only after three to six months time). Therefore, a second ‘best practice’ for international performance appraisals is to conduct the appraisal at the appropriate time (i.e. at least 6 months after the assignment has begun.)

2.5.3 Content Validity of Performance Dimensions

Oddou and Mendenhall (1995) suggest that the assignment should be evaluated for level of difficulty in order to properly assess the expatriate’s performance. Suggested criteria for assessing the level of difficulty include; “operational language of the firm, cultural distance based on region of the world and, stability of the factors affecting expatriate performance”(p.389). Certain types of tasks require significantly more interaction with local culture. It is therefore recommended that the evaluation form be modified to specifically address the interaction demands (i.e. with locals) of the particular position, and that the expatriate’s insights (into the extent of local interaction required) be included as part of the evaluation. It is particularly important to consider varying goal levels by country (Baliga and Baker, 1985), as the complexities of assignments in different international locations may differ. In short, a third “best practice” for international performance appraisals is the formal recognition, in the manner described above, that an international assignment (vs. a domestic assignment) involves more complexities. Failure to recognize this will result in criterion deficiency, and will adversely affect expatriate perceptions of fairness.

2.5.4 The Rater

A third and final “best practice” for international performance appraisals deals with the person doing the appraising. Even if the timing of the appraisal is fair (i.e. the expatriate has had a chance to proceed along the learning curve), criteria are appropriate (i.e. accurately reflecting the level of difficulty of the assignment), and the appraisal instrument is behaviorally based (as is recommended in the domestic performance appraisal research), bias may occur if the home supervisor is doing the evaluation, due to lack of consistent observation. To counter this problem, Oddou et al. (1995) suggest that the evaluations of home and on-site managers be weighted differentially, with greater weight going to the latter. They also suggest that a former expatriate from the same location be involved in the process.

2.5.5 Summary of the Best Practices for International Performance Appraisals

Therefore consideration as to “when” the evaluation takes place, “who” is conducting the appraisal, “how” it is conducted, and according to “what criteria”, are important to consider. Once again, however, it is unclear if they are being included by Canadian MNCs, or what factors either facilitate or hinder their inclusion. The next section will review the HR area of career development.

2.6 CAREER DEVELOPMENT

Human resource development (HRD) can be defined as: “a set of systematic and planned activities designed by an organization to provide its members with the necessary skills to meet current and future job demands” (Harris and DeSimone, 1994, p.2).

If HRD activities are designed properly by the organization, they can work in concert with its strategy to make effective use of resources (Harris and DeSimone, 1994).

One key aspect of HRD in many organizations is job rotation. Job rotation, which involves lateral transfers of employees between jobs in an organization, is a proactive method of enhancing the career development value that work assignments bring to the employee (Campion, Cheraskin and Stevens, 1994). Campion , Cheraskin and Stevens (1994), in their study of 255 employees in the financial function of a large pharmaceutical company, showed that job rotation was related to career benefits and outcomes such as salary, promotion, perception of skill and positive affect. Other studies which have attested to the importance of job rotation for career development include research on work experience (Gutteridge, 1986), career motivation (London, 1983), and corporate strategy (Sonnenfeld and Peiperl, 1988).

Organizations which use job rotations are viewed as having progressive HRD practices (Foulkes, 1980). However for these rotations to be effective there has to be some planning in terms of how long each assignment should be, where the person should go next, and how each rotation builds knowledge and skills that are necessary for the next step. Attention to trainee characteristics such as rate of progress may be important to consider. By drawing learning curves the trainee's rate of progress could be assessed and the trainers can then know how long to schedule future training sessions (Harris and DeSimone, 1994).

If a firm is truly internationalized, so too should be their HRD function (Adler and Bartholemew, 1992). Internationalizing the HRD function would involve two major

characteristics;

1. Managers, through OJT or formal training will be adequately prepared to work internationally, and
2. International assignments will become a core component of employee career development.

The former characteristic has been addressed in the previous section on training. Regarding the latter, the international assignment would essentially need to be treated as a phase in a systematic job rotation process. Most organizations however, do not take such a long-term integrated view of their expatriates' career progression (Black et al., 1992). This oversight is most glaringly evident in regard to the repatriation problem. A survey of 50 managers in transnational firms in Canada and the U.S. have revealed that expatriate assignments have failed to become a part of overall career development strategy (Adler and Batholemew, 1992). The question of why this may be the case remains unanswered.

2.6.1 Repatriation

Returning home may be regarded as the last phase in the expatriate assignment, but it is merely the next phase in a systematic development plan of job rotation. Despite the significance of this next phase, scarcely are formal repatriation programs in place (Adler, 1991). Harvey (1989) notes that "even though many executives have experienced difficulties upon repatriation, multinational companies have seemingly not addressed the issues related to repatriation with the same level of interest as preparing executives for expatriation." (P.337)

There are serious consequences in failing to treat the expatriate assignment as part of a job rotation and the repatriation process as the next step in that rotation plan. First, some repatriates complain that the knowledge, skills and abilities they acquired overseas are not valued back home and that the position they return to is unrelated to the work they were doing overseas (Tung, 1988). There are few programs in place that take advantage of the international experience and broad view that the expatriate has gained while overseas, and the position they return to is frequently a lateral move rather than a promotion (Tung and Miller, 1990). Thus, the first consequence is that the organization fails to reap the benefits of the international KSAOs that the expatriate has developed while abroad.

Second, and more direct in terms of financial impact, is the cost of turnover of expatriates upon return. There is some debate in the literature as to whether social factors or job- related factors are to blame for this problem of turnover upon repatriation. After a long absence from home, many social/environmental elements have changed and a kind of reverse culture shock may occur which can be traumatic to the expatriate and his/her family if not handled properly (Welch et al., 1992). Loss of social networks and lack of interest on the part of co-workers (in hearing about the repatriates international experience) may simply exacerbate the matter (Harvey, 1982). At the same time, loss of status and pay or technological changes in the workplace can cause readjustment problems at work. If the expatriate's international knowledge, skills and abilities are also not valued upon his/her return, that may compound the problem. It may well be that the two factors (work and socio-cultural adjustments) combine to create costly problems.

Whatever the precise cause for repatriate turnover, it clearly has longer-term costs

for the organization, because it sends a sign to other potential expatriates that this is a risky career move (Harvey, 1989). This in turn has the secondary effect of minimizing other expatriates willingness to relocate overseas (Black and Mendenhall, 1990).

Clearly then, it is in the organization's interest to attend to the longer term career development plans of expatriates as well as to the immediate short-term challenge of facilitating expatriation. Once again however, it is unclear whether Canadian MNCs do this and why they do or do not (i.e. what are the driving or hindering factors for their use of this key HR activity).

2.6.2 Summary of the Best Practices for Career Development

Thus, the literature suggests that organizations should treat the international assignment as a job rotation in the context of a broader career development strategy. This should be done by ensuring that there exists a plan to make use of the cross-cultural knowledge, skills and abilities developed abroad upon the expatriate's repatriation to a subsequent position in the home country. The next section will review the "best practices" for the HR area of human resource planning.

2.7 HUMAN RESOURCE PLANNING

As can be seen from the preceding literature review, much has been written regarding formalized effective HRM practices. However, while much has also been written regarding the applicability of these practices to the international realm, firms do not seem to be adhering to them. "There appears to be a rather substantial gap between

what the academic literature recommends and what most organizations actually do” (Terpstra and Rozell, 1993, p.44). However, the reasons for this are unclear.

One reason could be that the organizations studied in the above research do not have the competencies or resources necessary to conduct these HR activities effectively in the domestic realm. It is presumed (Thompson and Strickland, 1996) that organizations with core competencies will apply them across all areas of their business. Thus one might expect that international firms which have domestic HR competencies would be better positioned to apply these domestic HR competencies to in the international realm. Similarly, the greater the number of expatriates a firm has, the greater its experiences in managing expatriates and by extension, the greater its competencies in these areas.

A second reason might be that international assignments arise with insufficient lead-time to prepare or appropriately plan HR interventions. Tung (1981) and Baker and Ivancevitch (1971) report that interval between appointment and transfer of expatriates is often very short in U.S. MNCs. Specifically, it was found that in the U.S., expatriates usually had less than three months to prepare to leave on assignment and often less than one. This second hindrance may emerge for example if HR executives are not sufficiently involved with the organization’s strategic business planning process (Dowling and Schuler and Welch, 1994). With regard to the either alternative, the process of human resource planning may serve as a means of improving the firm’s capacity to be more proactive in managing its international human resources. Thus, the firm’s HR planning practices should be reviewed in order to identify whether, a) it exists in the domestic realm, b) whether it is being applied in the international realm, and c) whether it is clearly being linked with the firm’s business strategy.

The HR planning activity involves the following 6 steps (Dessler and Turner, 1992; p.79-80);

1. Establishing organizational goals and objectives,
2. Forecasting future human resource needs (demand),
3. Forecasting future human resource supply (availability),
4. Planning human resource programs,
5. Implementing programs, and
6. Monitoring and evaluating human resource planning results.

When these activities are not closely tied to the firm's strategy, HR activities will necessarily become more reactive than proactive. Wright and Mc Mahon (1993), argue that higher levels of organizational performance is achieved when there is a good "fit" between HR practices and organizational strategy. Indeed, in domestic settings, research has shown that when HRM activities are closely linked to organizational strategy in the manner described above, effective outcomes result. As Huselid (1995, p. 647) observed: " If a firm's senior manager saw HR as crucial to organizational performance, he would (a) communicate this importance to external audiences, and (b) Invest in high performance work practices ". A third possibility for why firms take a "reactive" (as opposed to "proactive") approach to international HRM might be the degree of influence which HR holds in its organization. Indeed the role of HR in the organizational hierarchy has been found, elsewhere, to explain linkages between business strategy and selection or training (Bird and Beechler, 1995). Therefore, when high performance HR practices are absent, the (1) position of HR in the organizational chart and (2) annual report/ company

newsletter statements about the company's stance towards its human resources could always be examined as possible hindering- facilitating factors.

2.7.1 Summary of the Best Practices for Human Resource Planning

Therefore, the "best practices" identified for career development initiatives in the international literature include: the use of international assignments for career development, and effective repatriation practices, making use of KSAO's gained abroad in the expatriate's new position. The next section will review all of the "best practices" discussed in the literature review, by HR area.

2.8 CRITICAL "BEST PRACTICE" INTERNATIONAL HRM

VARIABLES:

The above literature review has revealed seven categories of variables associated with international human resource management effectiveness. These "best practice" variables are summarized here as follows.

1. (JA) (JD) (JS) **Job Analysis, Job Descriptions, Job Specifications**
 - a) (JA) job analysis (Gatewood and Fields, 1994)
 - b) (JD) formal job descriptions with clear role objectives (Black and Mendenhall, 1991)
 - c) (JS) job specifications: interpersonal (e.g. flexibility), motivational (e.g. willingness to try new things), and technical (e.g. language) KSAO's (Ones and Viswesaran, 1997; Black, 1990; Kealey, 1988; Mendenhall and Oddou, 1985).

2. (REC) Recruitment

- a) **(REC-QR)** qualified recruiter (Gatewood and Field, 1994).
- b) **(REC-RJP)** RJP for expatriates (Dugoni and Ilgen, 1981; Schruiger and Hendriks, 1994; Tung, 1982).
- c) **(REC-EVAL)** evaluation of recruitment (looking at yield ratios (Heneman and Heneman, 1997) and assessing procedural justice (Dessler and Turner, 1992)

3. (SEL) Selection

- a) **(SEL-SI)** structured interview with the following characteristics; a pre-determined scoring guide, a panel of raters, and the use of PBDI-type questions (Gatewood and Field, 1994; Campion Purcell and Brown, 1988; Janz, 1980; Campion, Campion and Hudson, 1994; Pulakos and Schmitt, 1995).
- b) **(SEL-P&P)** reliable standardized paper and pencil tests (e.g. the big -5 form) (Tett, Jackson and Rothstein, 1991; Kealey, 1988; Black et al., 1992; Ones and Viswesaran, 1997; Deller, 1997; and Costa and McCrae, 1992).
- c) **(SEL-BD)** valid biographical data information (e.g. items based on job analysis and theory) (Rothstein, Schmidt, Erwin, Owen and Sparks, 1990; Dowling et al., 1994; Heneman et al., 1994).

4. (TRA) Training

- a) **(TRA-NA)** needs analysis for forming specific training objectives and establishing evaluation criteria (Harris and DeSimone, 1994).

- b) **(TRA-FC/C)** Formal cross/cultural classroom methods or, **(TRA-OJT)** on-the-job training with a qualified coach (Hannigan, 1990; Harris and DeSimone, 1994; Tung, 1981, Rehany and Saks, 1994; Black and Mendenhall, 1990)
- c) **(TRA-EVAL)** Evaluation of training (Kirckpatrick, 1987; Harris and DeSimone, 1994; Goldstein, 1980, Latham, 1988; Wexley, 1984).

5. (PA) Performance Appraisals

- a) **(PA-BOS)** behavioral observation type of scale (Latham and Wexley, 1994; Dowling et al., 199x?).
- b) **(PA-TOA)** timing of appraisal recognizing learning curves inherent in the position (Oddou and Mendenhall, 1995).
- c) **(PA-COMP)** recognition as to the complexity of international assignments (considering; operational language of the firm, cultural distance based on region of the world, and stability of the factors affecting expatriate performance (Oddou and Mendenhall, 1995, p.389; Baliga and Baker, 1985).
- d) **(PA-RQ)** qualifications and, **(PA-RL)** location of rater (Oddou et al., 1995).

6. (CD) Career Development

- a) **(CD-IA)** use of international assignments for career development (Campion, Cheraskin and Stevens, 1994; Foulkes, 1980; Adler and Bartholemew, 1992; Black et al., 1992).
- b) **(CD-REP)** effective repatriation practices, making use of KSAO's gained abroad in the expatriates new position (Adler, 1991; Harvey, 1989; Tung, 1988; Tung and Miller, 1990).

7. (HRP) Human Resource Planning and its Link to Strategy

- a) **(HRP-FOR)** forecasting needs/supply (Dessler and Turner, 1992; p.79-80).
- b) **(HRP-GOA)** developing HR goals in line with a forecasted needs program (Dessler and Turner, 1992; p.79-80).
- c) **(HRP-COMM)** communication (by upper level managers to mid-level managers) of importance of human resource investment in high performance practices (Huselid, 1995; p.647).

The variables discussed in this research correspond to the “best” human resource management practices described in both the domestic and international HRM literature. Nevertheless this research has mostly been based on European, Japanese or American organizations. Without systematic research however, there is no way of knowing the extent to which Canadian multinationals adhere to these practices, their reasons for doing so or not, and the extent to which they do or do not evaluate the effectiveness of their practices. The next chapter will address these issues.

3.0 RESEARCH QUESTIONS

The literature has revealed several “best practices” for each of the HR areas examined. Several potential barriers to implementation of the “best” international HRM policies have also emerged from the literature review. Namely, barriers such as the position of human resources within the organizational hierarchy, and other constraints such as time and cost considerations were examined. In addition, attention was given to the possibility that those Canadian MNCs which engage in proper human resource management practices in the domestic realm, will be more likely to do so in the international realm. Since they already have the core competencies (Thompson and Strickland, 1996), these firms are more likely to use it as part of their international strategy. Therefore lack of domestic HR competencies could be a third barrier to implementation of “best” international HRM practices.

What remains unclear however, is whether the international HRM “best practice” factors (that the literature suggests) are indeed being recognized as facilitating factors and if so, how and to what extent are they being implemented in Canadian MNCs?

A useful tool in qualitative analysis is Levin’s (1951) “force field analysis”. This type of analysis issues in evaluating forces driving change and forces resisting change. In this research using such a framework is helpful in describing a typical Canadian MNC. The proposed framework categorizes the international human resource management variables as either: a driver, facilitator, barrier or outcome.

Driver

As noted at the introduction of this research paper, international strategic objectives (ISBO’s) are expected to drive the use of international HR best practices. These ISBO’s

include, the need to fill an international assignment abroad, and the need to have internationally competent top executives at headquarters. These two ISBO's are expected to be the driving force behind any international HRM effort.

Facilitator

Once the needs have been established, the next steps are to engage in the "best practices" that can facilitate the management of international expatriates. This is done using the categories of variables (that were listed in section 2.8): job analysis, recruitment, selection, training, performance appraisals, career development, human resource planning and its link to strategy.

Barrier

Variables seen as barriers to the implementation of "best international HRM practices", are; the position of human resources in the organizational hierarchy, lack of domestic HR competencies, time and cost constraints.

Outcomes

The outcomes are measured in terms of expatriate performance and lack of turnover, which were also addressed in the introductory section.

The research questions put forth will help to clarify these issues.

3.1 Research Question #1:

Which critical factors (i.e. international human resource management "best practices") are being applied to facilitate the effective management of international HRM in Canadian multinationals?

3.2 Research Question # 2:

Which international HRM variables act as drivers to implementation of “best practices” in Canadian multinational corporations?

3.3 Research Question # 3:

Which organizational variables act as barriers to implementation of these facilitating “best practices” in Canadian multinational corporations?

3.4 Research Question # 4:

Do Canadian multinational corporations evaluate the outcomes of their international HRM practice, and what are their reasons for doing or not doing so?

3.5 Literature Proposed Framework:

Drivers → ↓	Facilitators → ↓	Barriers → ↓	Outcomes ↓
<ul style="list-style-type: none">• business strategy, need for international assignments.• International strategic business objectives for having internationally skilled top executives at headquarters.	<ul style="list-style-type: none">• Job analysis• Recruitment• Selection• Training• Performance Appraisals• Career Development and repatriation, and• HRP and it's link to strategy	<ul style="list-style-type: none">• The position of HR within the hierarchy• Lack of domestic HR competencies• Time and cost constraints	<ul style="list-style-type: none">• Performance• Lack of turnover



3.6 Research Question #5:

Does the proposed framework above (put together through best practice recommendations in the literature) describe a typical Canadian MNC?

4.0 METHODOLOGY

4.1 RESEARCH DESIGN

Most prior IHRM research has been based on survey data. Therefore, there is a need for qualitative studies, which can permit a more in-depth focus on the underlying relationships and context in which IHRM activities take place (Welch, 1994). The goal of the qualitative approach is to build on existing knowledge yet not exclude any new possibilities at the outset (Skyes, 1990).

The research design that was chosen for this study is a multiple qualitative case study approach (Yin, 1984). The advantage of multiple case designs is that the evidence is more compelling, and the overall study is more robust. "A promising way of getting started in terms of 'micro' research issues in IHRM is to find firms, both domestic and abroad, that are doing well in the areas of selection, training compensation, careers, expatriation and repatriation and write about them" (McEvoy and Buller, 1993 p.18-19).

In this case, because a key research objective is to identify international HR practices of Canadian MNC's, the focus will be on MNC's with their headquarters based in Canada rather than abroad. Generally for questions that ask "why" and "how", case studies is the preferred strategy for research (Yin, 1984). The use of multiple cases helps to add confidence to the findings (Miles and Huberman, 1994), and to increase reliability of the study (Miles and Huberman, 1994). This is because it reduces the likelihood that findings observed are due to the unique characteristics inherent in any one particular firm.

The level of analysis is that of the firm. While HR representatives will be interviewed, the objective is to attain a holistic impression of the state of international

human resource management practices in the Canadian MNCs studies, rather than to record the impressions of any individual HR manager per se. Yin (1984), termed this type of design a « holistic multiple-case study » design. It is appropriate when the relevant theory underlying the case study is of a holistic nature.

4.2 SAMPLE

4.2.1 Sample Size

The multiple case design in this study consists of four Canadian MNC's. This number of cases is in line with Yin's (1984) suggestion that qualitative case study research should involve between approximately four to ten cases. This allows for both literal replication and for observation of different patterns of theoretical replication.

4.2.2 Subsidiary Nationality

Considerable research has been conducted which indicates that national culture may exert an influence on an organization's HR practices (Mendonca and Kanungo, 1994; Vance, McClaire, Boje and Stage, 1992). For example, O'Grady (1994) found that Canadian firms believed there was no need to create special policies for expatriates when sending them to culturally similar countries such as the U.S. In view of the possibility that MNCs may modify their international HR practices according to the countries in which they have expatriates, an attempt was made to pick Canadian MNC's with subsidiaries in at least one common country in order to minimize external confounds.

Ireland was chosen based on its ability to recruit foreign investment. There has been a 37% increase in Canadian companies doing business in Ireland from 1990-1996 (IDA,1997). An additional reason for selecting Ireland is it provides an alternate test of Psychic Distance Paradox (O'Grady, 1994). Based on Hofstede's research (1984), Ireland is fairly similar to Canada on certain cultural dimensions. Ireland and Canada are both countries that make part of the Anglo cluster. Hofstede's research (1984) describes categories of differences in national cultures. The categories identified are: power distance (a type of order or hierarchy); uncertainty avoidance (lack of tolerance for ambiguity and the need for formal rules); individualism/collectivism (the concern for oneself vs. the concern for the priorities of a group); and masculinity/femininity (the extent of emphasis on work goals vs. on personal goals). Ireland and Canada are typically low to medium in power distance, medium on the uncertainty avoidance index and high on individualism and masculinity indices (Katz and Seifer, 1996). Because Ireland is more culturally distant to Canada than the U.S., but not significantly so, it will provide yet another context for testing the Psychic Distance Paradox.

4.2.3 Identification of MNC's

First the Irish Development Association (IDA) was contacted to obtain a list of Canadian MNC's with subsidiaries in Ireland. Multinational organizations from various industries were sought. Six Canadian MNCs were originally selected because their Irish subsidiaries are each staffed with one to five Canadian expatriates. Four organizations agreed to participate, these MNCs span distinct industries, including financial service organizations (3), and telecommunications manufacturing (1). The first three enable

literal replication, while the latter will permit observation of different patterns of theoretical replication.

The IDA provided the names and phone numbers of general managers at these subsidiaries. The general managers were contacted and asked to provide details of any Canadian expatriates working in their organization.

Following agreement to participate by the general manager, they were then asked to provide the names and contact details of the Canadian HR representatives for their company. This indirect approach was taken because the researcher was informed that access to home country HR representatives is sometimes easier to obtain through the expatriates themselves. This approach worked.

Next, Canadian human resource representatives at these companies were contacted by phone to solicit participation. Information about the participating organizations, where HR fits in the organizational structure, and the expertise of the people in charge of staffing have been gathered.

4.3 PROCEDURE

The procedure for this study involved selecting cases for study, distributing questionnaires, and conducting interviews. Following the literature review of “best expatriate management practices”, the questionnaire was used to gather the basic information per HR area, that is, whether or not organizations conducted certain practices (i.e. the facilitators or outcomes). The interviews however, served to probe their reasons why or why not for conducting these practices (i.e. the drivers or potential barriers). Verification of data was sought through unobtrusive means as well, such as by examination of company histories, annual reports, human resource documents, and

relevant newspaper articles on the MNCs (where available). Multiple sources of evidence will help strengthen reliability (Yin, 1984). Each of these steps will now be described in more detail.

4.3.1 Selection of Cases

First, appropriate Canadian MNC's were selected for participation in the study (as described in the sample section). A panel of three expert international management researchers will help in clarifying the degree of internationalization of these firms. These experts will be presented with Adler's (1989) descriptions of domestic, international, multinational and global firms, (see Appendix B; Part 1) and will be asked to classify the participating firms accordingly, in order to be able to account for potential confounds due to stage of internationalization. The degree of agreement between these experts will be used as a measure of reliability for the comparability of these firm's international human resource practices.

Case #1:

Case #1 is a full service financial institution which, operates in several countries around the world, namely; the U.K, Singapore, the West Indies and the U.S. It is one of the largest banks in North America. This institution currently has 60 people on international assignments, one of which is based in the Irish subsidiary. A 5-10% growth in international assignments is expected in the years to come. The assignments normally last 3-5 years based on business needs and without exceptions for differences in country of assignment. The international human resource department has two HR consultants in Canada and local people in Singapore and the U.S. that work very closely with the

business. They report directly to the V.P. of H.R who in turn reports to the chairman of the board. Most of the human resources staff have undergraduate degrees.

Case #1 was selected as it fit the criteria that was determined for this study; it had a subsidiary in Ireland, it was agreed to be an international firm by the panel of judges, and the international HR representative agreed to participate in the study.

Case #2 :

Case #2 is also a full service financial institution. In looking for growth opportunities this institution has expanded to over 50 countries on 5 continents, namely to; North America, the Caribbean, Asia, Latin America and Europe.

There are 190 people on assignment at this time and one in Ireland. The average duration of assignments is 4-5 years. This is based on business objectives, personal needs (family/schooling) and succession planning. There are about 10 people that make up the international HR staff locally and there are also people in the countries of assignment (although not HR) who can help manage employees on international assignments.

In terms of educational qualifications of the HR staff: they mostly have college degrees with continuing education courses and some undergraduates.

The position of HR is at the same level as the other business units. The V.P. HR reports directly to the chairman of the board. HR is therefore very involved in business decisions.

This case was included in the study because it fit all of the selection criteria: it had a subsidiary in Ireland, it was agreed to be an international firm by subject matter experts and HR representatives agreed to take part in the study.

Case #3:

Case #3 is a Canadian insurance company. They have operations in four countries, namely; Taiwan, Ireland, Barbados and Kuala Lumpur. There are 11 employees abroad at this moment and 1 in Ireland. There is 1 HR person available to manage the employees on international assignments. Educational qualifications of HR staff are usually college degrees.

The human resources department is a separate corporate function that reports directly to the president. HR is not at all involved with other management executives when business decisions are being made.

Case #3 was selected because it fit all the criteria determined for this study; it had a subsidiary in Ireland, was agreed to be an international firm by the expert judges and HR staff originally agreed to participate.

Case #4:

Case #4 is a leading global provider of digital network solutions. This company has 73,000 employees worldwide. They operate in 40 countries, namely in; the U.K., France, Germany, China, Singapore, India, Mexico, Brazil, Canada, the Middle East, Australia, the Philippines, Hong Kong, Japan, the U.S., Russia, Africa, the Caribbean and Latin America.

At the moment there are 650 people on long-term assignments (i.e. 2-3 years) and 400 on short-term assignments (i.e. less than 1 year). There is also a leadership development program, which lasts 6 months to 1 year, however it is uncertain how many

people are on LDP at the moment. At this time there are 5 Canadian employees in Ireland.

In terms of HR staff, there are approximately 24 people directly at headquarters and numerous others in each location who spend a portion of time on expatriate management. Most of the human resource staff have obtained undergraduate degrees, and some have graduate degrees.

Expatriate administration is a corporate head office HR role. The senior V.P. of HR reports one level below the president/CEO. The HR V.P. and the presidents of the business units are at the same level.

Case #4 was selected as it fit the criteria that was determined for this study; it has a subsidiary in Ireland, it was agreed to be an international firm by subject matter experts and 3 international HR representatives agreed to participate in the study.

4.3.2 The Questionnaire

Structured questionnaires were then sent to participating organizations (see Appendix B), to get a sense of what HR practices are being done. The questions serve to answer queries outlined in the propositions, and thus tap each of the HR areas that were covered in the review of the domestic and international HRM literatures.

Follow up letters were sent in the event that responses were not returned in a timely manner (see Appendix C). An indication of how the various sets of questions map onto each HR area is given in Appendix H. The questionnaire is made up of 9 sections. Part 1, sought to obtain all of the organization's background information (i.e. size,

revenue, number of countries of operation etc.) as well as the degree of internationalization as per Adler and Ghadar's (1990) classification.

Part 2 of the questionnaire focused on the organization's worldwide expatriate activities. It included such questions as; *To the best of your knowledge, how many expatriates does your company presently have on international assignment?; What is the average duration of assignments?; Does the average duration of assignment differ by country? etc.*

Part 3 of the questionnaire asked specific questions about job analysis, job descriptions and job specifications (the 1st HR area examined). It included such questions as; *Are job descriptions developed for overseas assignments?; Is a job analysis performed to produce this description?; Are job descriptions posted internally? etc.*

Part 4 of the questionnaire asked about the firm's international recruitment practices (the 2nd HR area examined). It included such questions as; *Are recruiters trained to conduct interviews?; Are realistic job previews (i.e. Overviews of the pluses and minuses of an international assignment) presented to interested candidates?; Please indicate what proportion of expatriates are hired internally vs. externally? etc.*

Part 5 of the questionnaire asked about the firm's selection of expatriates for international assignments (the 3rd HR area examined). It included such questions as; *Are HR personnel in charge of your expatriates in a particular country trained in employment law issues for that country?; Is the existence of an expatriate spouse considered as part of the selection of a potential candidate?; Are you aware of any factors that can affect an employee's willingness to relocate internationally? etc.*

Part 6 of the questionnaire asked about the firm's training of expatriates (the 4th HR area examined). It included such questions as; *Are expatriates given any cultural training prior to departure to a new international assignment?; If the expatriate has a spouse and/or kids, are they ever included in any of the predeparture training?; Do you evaluate the effectiveness of your predeparture cultural training? etc.*

Part 7 of the questionnaire asked about the performance appraisals of expatriates (the 5th HR area examined). It included such questions as; *Do you have a particular type of form for conducting performance appraisals at your home country location (i.e. in Canada)?; What is the frequency for conducting performance appraisals of your expatriates once they are sent abroad?; Please indicate which characteristics of the host-country if any are taken into consideration when conducting performance appraisals of expatriates? etc.*

Part 8 of the questionnaire asked about the career development of expatriates (the 6th HR area examined). It included such questions as; *While abroad how often does the expatriate keep in touch with human resources?; Do you know the approximate date when each of the expatriates currently overseas will complete their assignment?; Are job postings for possible positions post-international assignment made available to the expatriate while abroad? etc.*

The last part of the questionnaire, part 9, asked questions about the firm's human resource planning policies and its link to strategy. It included such questions as; *Are future employment needs systematically anticipated in the international realm?; Where does human resources fit into the organizational structure?; Are your firm's human resource executives trained in human resource planning? etc.*

The questionnaire therefore, served to gather all of the information about whether or not the firm engaged in the researched HR “best practices” and how they went about it. Once the questionnaire was returned, the IHR manager was contacted for a telephone interview to further probe the responses to the questions asked and get answers “why/why not” for engaging in certain practices and what outcomes are expected from their methods.

4.3.3 Interviews

Structured interviews with the company HRM directors then took place in person at the company’s location or over the telephone (depending on availability of the interviewee) and lasted approximately one hour. The interview questions represented a further development of the questionnaire questions. Namely, in response to the answers on the written questionnaire, the questions were fine-tuned to probe for further elaboration (i.e. precise reasons for the organization’s engagement or non-engagement in best practices).

As Yin (1984) and Eisenhardt (1989) note, the use of trained interviewers can increase the reliability of the data obtained. Therefore to prepare for this step in the procedure, the researcher engaged in a role-play training exercise with Professor Leiba-O’Sullivan prior to the interviews in order to develop interview skills for this particular subject area.

The interview with respondents was tape recorded with the written permission of the interviewee in order for results to be transcribed later (See consent form in Appendix

F). Structured interviews were chosen in order to ensure consistency of data collection and thereby enhance reliability and validity.

In Case #1 a telephone interview took place with the international HR manager. For Case #2, two international employees agreed to an in-person interview at headquarters. Case #3 returned the questionnaire duly completed, however when contacted for the interview, the respondent did not accept as it was felt that the information given was as complete as possible and no further comments could be added. So we proceeded with the questionnaire only. (It is important to note that information as to the reasons for engaging in certain HR practices vs. not doing so may be incomplete in this case). In Case #4 three IHR managers completed the questionnaires and participated in telephone interviews. The responses were then merged to get a global picture of the organization's practices. The name of the company, the contents of the tape and the results will remain completely anonymous and confidential, unless the respondents allow otherwise.

Next, post-interview context summaries were completed as per Yin (1984) (See Appendix D). Direct observation of such things as resource materials available for managing international employees, size of files on expatriates, and the human resource manager's comfort with the questions were also sought to provide a third source of evidence (in addition to the questions and interviews). Finally, thank-you letters for participation in the study were sent to the companies (See Appendix E). A summary report of the findings will also be sent.

4.4 LIMITATIONS

No study is without its limitations, and this study is no exception to this rule. One weakness inherent in multiple-case qualitative research, where the number of cases is less than 30, is that it becomes difficult to generalize to the greater population of Canadian MNCs (or to MNCs in general). Nevertheless, this study will provide a valuable first in-depth look at the research questions posed here. Further research may then adopt a larger-scale, quantitatively empirical approach to confirm some of the findings observed here. Another potential limitation is researcher bias. Since only one researcher was available to conduct all of the interviews and the coding, there may have been a loss of objectivity due to fatigue and information overload. (Miles and Huberman, 1984).

Miles and Huberman (1984) point out that you can achieve better definition when the data is coded by two researchers. Although ideal, this was not possible in this case due to time constraints. However in order to compensate for this challenge, Miles and Huberman's (1984) recommended procedures for organizing data were closely followed, thus allowing for a retrievable data set and possible verification of the data. Also, multiple sources of information were used (questionnaires, interviews, annual reports and subject matter expert opinion) to form a source of triangulation.

Notwithstanding these potential limitations, this research was still able to address very relevant issues in the area of international human resource management, and more specifically create a clearer picture of the Canadian business context. This research was also able to point to practical implications for Canadian MNCs and to organizations in general, as well as to future research areas to be developed.

5.0 ANALYSIS

Three concurrent steps in the process of analysis were followed as per Miles and Huberman (1994). The three steps; data reduction, data display and conclusion drawing and verification are used in order to facilitate the drawing of conclusions.

Data reduction refers to the process of simplifying and transforming the data that is found in transcriptions. The next step, data display, involves organizing the information in a table or matrix in order to permit the drawing of conclusions (see Appendix G). The third and last step, involves drawing conclusions from the simplified data and verifying that they are accurate.

Data was analyzed both within-cases and across cases. Within-case data analysis involves a detailed case study write up for each case. The format used for such analysis in this study is the case description. This write up is helpful since it allows the unique patterns of each case to emerge before generalizations across cases are made. For cross-case data analysis, pairs of cases were selected and the similarities and differences of each pair were noted. This counteracted the tendencies to reach premature closure by looking at the data in divergent ways (Eisenhart, 1989).

6.0 RESULTS

The results of the analysis will be presented on a research question by research question basis. Within the discussion of research questions, and consistent with Miles and Huberman (1984), a within-case analysis is presented first, and cross-case analysis will then follow, giving the aggregated results. More complete information as to the international human resource practices of each case, can be found in the data tables in Appendix G. The theoretical and practical implications of these results, and conclusions will be addressed in the next chapter.

Research Question #1:

The first research question sought to determine which critical factors (i.e. international human resource management “best practices”) are being applied to facilitate the effective management of international HRM in Canadian multinationals? I will review this question by addressing each HR area that was researched in the literature review.

Job Analysis, Job Descriptions, Job Specifications

The use of job analysis to produce formal job descriptions and job specifications is prescribed in the literature as being a “best practice”. Proper job specifications are said to include: interpersonal, motivational as well as technical skills. (Refer to Table 2.8 listing the best practices for this category).

Case #1 adheres to this practice, however their job specifications first focus on technical skills and then as a second step consider interpersonal and motivational aspects. They also consider such elements as willingness to go on assignment, family situation (i.e. family responsibilities in terms of a spouse, children or elderly parents etc.) and prior expatriate experience.

Case #2 is also found to follow formal job analysis and job description practices. Their job descriptions are constructed at a standard level as well as at a unit level. Standard descriptions include general accountabilities, reporting relationships, specific accountabilities, complexity of the job, human relations contact, working conditions, dimensions, budgets and authorized limits of credit. Specifications considered in relation to a specific business unit, include cultural sensitivity and language differences. Therefore, job specifications in this case cover both the interpersonal and technical aspects recommended in the literature. However, they fail to include the motivational aspect (e.g. willingness to try new things).

Case #3 was also found to perform job analysis to develop job descriptions and job specifications. Here, the job specifications derived focus solely on technical skills (essential knowledge, skills and abilities, key accountabilities, duration of assignment and political volatility of the host country) and omit both the motivational and the interpersonal aspects.

Similarly, Case #4 adheres in a general sense to the recommended practices. On one hand, their job specifications are in direct relation to the job and focus mostly on technical skills. As one respondent put it: *"...sending a person to China vs. Ireland requires the same skill, knowledge of finance."* However, they also look at specifications

per business unit such as duration of assignment (which is determined by business requirements in each location, or in the case of a developmental or knowledge transfer assignment, by special HR program offices), political volatility of and cultural novelty of the host country. These last two factors are determined based on documentation they have per country from external vendors and state department information. Nevertheless, this case represents yet another instance in which the motivational specifications are ignored.

Cross-Case Analysis for Job Analysis, Job Descriptions, Job Specifications

All cases studied were found to adhere to the best international HR practices for developing job descriptions. Motivational KSAOs however, were not considered by Cases # 2, 3, and 4 in determining job specifications.

Recruitment

The best practices for international recruitment that were identified in the literature are (as per Table 2.8), having a qualified recruiter, conducting a realistic job preview for expatriates, evaluating the recruitment effort looking at yield ratios, and assessing applicants' perceptions of procedural justice.

Case #1 adheres to the first two recommended practices. For instance, this company makes sure that complete information as to the assignment, location and culture are explicitly described. Reasons for the use of RJPs include; dual careers, children, and schooling. On this topic the respondent had to say; “ *We don't want to eliminate people based on family status/kids. We just try to pick up the best candidates and it's up to them to self-select if they don't feel up to it.* ” However this company omits the third practice,

evaluation of recruitment practices. The company explains that there is no formal evaluation because the HR consultant and head of the business unit in question conduct the actual selection together on a case by case basis as the needs arise. Thus they do not have a global picture of recruitment practices. Researching the 4th practice, they explain that procedural justice is not an issue for them since 90% of the recruitment is internal and is done through open staffing.

Case #2 is also found to adhere to all of the prescribed best practices for recruitment. They explain that RJPs are used mainly because there are many issues that candidates have which may interfere with the decision making process. Issues such as schooling, cultural and parental problems have been raised. Since transfers are very costly, they find it important that these issues be addressed and candidates well informed. Evaluation of recruitment is also taken seriously in this case. Recruitment effectiveness is measured in terms of premature returns, attrition, failed assignments, performance assessments and whether the return is based on an individual or business reason. Since this institution deals mostly with internal recruits, they feel that procedural justice is not an issue at this point.

Case #3 only adheres to only one of the identified best practices for recruitment. They use realistic job previews in order to create accurate expectations with regard to the job itself and country of assignment. This way, disappointment and shock can be minimized. They explain that since not enough people are going on international assignments, they can monitor the situation on a per needs basis and therefore have not found the need to evaluate their practices. As in the other cases, procedural justice is not an issue since there are only internal recruits.

Case #4 is found to adhere to all of the best recruitment practices outlined above. Their RJP involves a discussion about the content of the job and the location. They also go beyond the realistic preview by providing awareness training and sending potential candidates on preview trips to the location. They evaluate the effectiveness of their recruitment practices through surveys to the incumbent after 3 months, one year and pre-return home. Of course, expatriate effectiveness is determined by regular performance appraisals as well. These measures are taken due to the very elevated costs of transfers and the potential for failure due to issues such as; teenage children, the spouses career, work hours, close family ties at home, country climate and situation, monetary issues and length of assignment.

Cross-Case Analysis for Recruitment

Training of recruiters (to provide qualified recruiters) was a confirmed practice in Cases #2 and 4. Realistic job previews were used in all Cases, and evaluation of recruitment practices was conducted in Cases #2 and 4. Applicant's perception of procedural justice was not relevant to these cases since most of the recruitment conducted for expatriate assignments was done internally.

Selection

Selection procedures identified as best practice in the literature include three types of practices: the use of a structured interview, reliable standardized paper and pencil tests and valid biographical data information. (Refer to Table 2.8)

In Case #1 it was found that selection is a function that is left to the hiring manager to execute, therefore the respondent is unsure of the specific methods used. She suspects however that the latter two methods are probably not part of the procedure since they are not used as part of domestic selection methods either.

Case #2 was found to use structured interviews as part of their selection methods as well as performance appraisals and a management profile from outside the company. No paper and pencil tests or biographical data information are used. The questions asked typically deal with issues relating to career objectives and mobility. For example: “ *Why are you interested in going on an international assignment?* During the selection process, it was discovered that the trailing spouse is informed of all aspects that may impact her life in accepting to go on an international assignment. With this information she could then make an informed decision about the assignment and self-select if there are concerns.

In Case #3, respondents were also unaware of the selection methods used since it is done by the business line managers with the assistance of external sources if required. The family issue is also raised in this case but only following the selection procedures. That is once the candidate has been selected, then the spouse is sent to workshops in order to be well prepared.

Case #4 was found to conduct international selection using structured interviews with PBDI type questions, but did not adhere to the other two prescribed methods. They did however assess family status and risk factors during the selection process as well. These issues are taken seriously due to the cost involved with an international assignment, the possibility of a dysfunctional family and the potential problems that may

arise abroad. Again it is left up to the family to self-select out of the process if they sense that they are not capable of going.

Cross-Case Analysis for Selection

Structured interviews were used in Case #2 as part of their selection methods. None of the other best practices for selection were used by any of the cases in question.

Training

Prescribed training methods identified in the literature include; performing needs analysis for forming training objectives and establishing evaluation criteria, formal cross-cultural classroom methods or on the job training with a qualified coach, and evaluation of training. (Refer to Table 2.8)

In Case #1 all of these practices are conducted except for evaluation of the training. The respondents in this company claim that success rate could be taken as an indication of training effectiveness. Success rate is determined by completion of assignment and success on the job (i.e. meeting business objectives). Since there is expatriate success in most cases, they do not feel the need to evaluate the training provided.

Case #2 was found to incorporate all of the elements identified as best training practices. Their training is also tailored to the country of assignment.

Case #3 used all of the elements mentioned above as well, except evaluation of the training provided. The respondents explain that the training is provided by external

consultants and employees are expected to let HR know if the training was useful for them.

Case #4 adheres to all the suggested training practices identified in the literature. They explain that expatriates are trained because it is a way of getting them to know what to expect so that they are not taken by surprise. As one respondent put it; “ *We hope to reduce or shorten the culture shock cycle so that they move through the process faster and be more effective quicker.*” Training is also seen as particularly necessary for this company because its expatriates go to hardship locations, which present them with challenging issues about different cultures and economies, war and politics.

Cross-Case Analysis for Training

Needs Analysis and formalized cross-cultural training as well as on the job training was offered in all of the cases studied. Formal evaluation of training practices was only seen in Cases #2 and 4.

Performance Appraisals

Identified best practices for conducting performance appraisals include: the use of a behavioral type observation scale, the proper timing of the appraisal with respect to learning curve of the international assignment, recognition of the complexity of international assignments, and location and qualifications of the rater. (Refer to Table 2.8)

All of these practices are followed by Case #1 except for recognition of the complexity of the assignment. While still considered informally through 360-degree

feedback from managers, peers and clients, there are no added cross-cultural dimensions on the appraisal form. They are exactly the same as the forms used for domestic appraisals, with variations in business objectives.

Case #2 was found to follow all of the prescribed best practices for conducting performance appraisals for international employees. It was not clear however whether the raters received any training, they are said to follow the established procedure, which is explained step by step.

Case #3 uses behavioral observation scales to assess performance, however no cross-cultural dimensions are made explicit. The rest of the outlined best practices were omitted by this organization.

Case #4 adheres to all of the suggested best practices for conducting performance appraisals. The forms used are no different than the ones used domestically. However, the respondent explains that cultural differences are still considered informally. Because it is expected that language and cultural difficulties would affect job performance, this is taken into consideration in the overall performance rating.

Cross-Case Analysis for Performance Appraisals

Use of behavior observation scales for performance appraisals was only identified in Case #1. Learning curves and timing of appraisal process were factors considered by all of the cases studied. The complexity of international assignments was only relevant for Cases #1 and 2. Rater qualification was not addressed by any of the cases. However, all cases took the location of the rater into consideration.

Career Development

The best practices identified for career development initiatives in the international literature include: the use of international assignments for career development, and effective repatriation practices, making use of KSAO's gained abroad in the expatriate's new position. (Refer to Table 2.8)

Case #1 has the goal of retaining its high performers. Accordingly, they strive to adhere to the full set of best career development practices in order not to lose these employees. They explain that the trend in recent years has been for expatriates to pay closer attention to career development issues than they did in the past. According to the respondent: *"Expatriates today don't just accept assignments like that, there's a lot of talk about what happens when they get back, so there's more active participation now."*

Case #2 adheres to all of the recommended practices for career development. They claim that their international assignments work so well that there are not many repatriating, they are looking for the next international assignment. It was found that most expatriates enjoy the challenge, autonomy, variety, and the compensation associated with international assignments.

Case #3 was not found to adhere to either of these practices. International job rotations are not used as part of an overall career development strategy, they are simply in place to meet business needs. Also, there are no formal events or counseling available to the expatriates or their families post return. They explain that they have so few expatriates going on assignments that they have not yet refined their policies, although they do acknowledge the need to do so.

Case #4 was found to follow all of the best practices identified in the literature. Nonetheless they claim; *“Nothing is ever a sure thing, there are people who because of downsizing we had to make redundant at the end of their assignment.”*

Cross-Case Analysis for Career Development/ Effective Repatriation

The use of international assignments as a rotation in a career development strategy was evident only in Cases #1, 2 and 4. The same cases also paid special attention to the repatriation issue and took steps to ensure there is a smooth transition back home.

Human Resource Planning (HRP)

The literature has identified two best practices with respect to human resource planning. These are: to forecast needs and supply, set goals in line with the forecasted needs program, and for upper level managers to communicate to mid-level managers the importance of human resource investment in high performing practices. (Refer to Table 2.8)

In Case #1, there is some forecasting of needs and supply based on business strategy, and international rotations are part of this strategy. However most HRP efforts are concentrated in planning for the first 200 people at very senior levels, due to the time and expense allocated to this practice. Therefore there is no communication to mid-level managers about the importance of investing time in human resource planning.

Case #2 was found to follow two of the best practices outlined for human resource planning: forecasting needs/ supply and establishing related goals. They were not found

to communicate with mid-level managers the importance of high performing practices such as HRP.

Case #3 was not found to have a human resource planning function at all. They were found to deal with employment needs as they came forth. Case #4 however, was found to adhere to all of these prescribed best practices.

Cross-Case Analysis for Human Resource Planning

Forecasting needs/supply and developing HR goals in line with this information was seen in Cases #1, 2 and 4. The communication of the importance of such practices was not found to apply in any of the Cases studied.

Summary of Findings: Research Question #1

In summary, Cases #1 and 2 confirm that the 7 HR areas identified for “best practices” of international human resource management in the literature acted as facilitators (refer to Table 2.8). Case #4 confirms 6 of the 7 identified facilitators. Case #3 only confirmed 4 of the 7 variables acted as facilitators. However not all the “best practice” variables that make up the set of best practices for each HR area were used by these companies. Their reasons for not adhering to certain practices are discussed in the analysis of the other research questions.

In addition to the 7 original categories, 3 additional practices were identified as being important by several of the participants: the situational variables were, position of HR within the organizational hierarchy, domestic HR competencies and the additional best practice was the use of benchmark data (Cases 1,2 & 4).

Two of these additional variables (i.e. position of HR within the organizational hierarchy and domestic HR competencies) were originally hypothesized as barriers based on what the literature implies. However the data collected in this study suggests that they act as facilitators in Cases 1, 2, & 4. The third additional variable, benchmark data, was introduced in Case #1 as a facilitator to implementation of “best” IHRM practices as well. Thus, feedback from the participating Canadian multinational corporations points to the existence of 10 facilitating variables.

Research Question #2:

The second research question sought to determine which international HRM variables act as drivers to implementation of “best practices” in Canadian multinational corporations?

Drivers address the reasons “why” Canadian MNCs pay attention to their international HR practices. The literature suggested that international strategic business objectives (ISBOs) are expected to drive the use of international best practices in HR. These ISBO included the need to fill an international assignment abroad, and the need to have more internationally competent top executives at headquarters. These two ISBOs were expected to be the driving force behind any international HRM effort.

In Case #1, the two variables described as drivers in the literature were found to be the driving force behind the company’s implementation of “best practices”. A third driver that emerged for Case #1 was the ISBO of remaining competitive in the international arena. This may be regarded as a more distal ISBO to the more proximal need to fill an international assignment abroad. Case #1 benchmarks their company

against the “best” companies and they assess whether they can implement the best companies’ practices into their structure of operation. This is done again in order to retain employees and remain competitive.

In Case #2, the predicted drivers of “best” HRM practices were found to apply. Cost of transfer is the emergent driver in this case, although in the model (refer to research question 3.5 presented earlier) it had been positioned as a barrier. Cost of transfer is so great that this company wants to be sure to implement all of the “best” HRM practices in order not to increase the costs further if there were to be problems with the expatriate in the long term. Expatriate failure would bring on not only financial costs, but may also cause other problems relating to the business unit.

In Case #3, the only variable found to be the driving force behind the implementation of “best” HRM practices was international strategic business objectives. They simply looked at whether the international assignments met the goals they had set out prior to the assignment. Other variables discussed in the literature were not found to be relevant in this case.

Case #4 was found to have the same drivers as those identified by the literature. However, cost of transfer was the other emergent variable that was found to be the driving force behind implementation of best HRM practices in this case. Respondents here also explain that since the cost of relocation is so high and the cost of failure so excessive, they have to make sure that all of the best practices are used to facilitate the relocation process.

Cross-Case Analysis: Research Question #2

International strategic business objectives for having international assignments are a driving force for implementation of “best practices” in international HRM. Some ISBOs identified were; fulfilling customer needs, filling in gaps in the international workforce, knowledge transfer assignments or career development opportunities. Cases #1, 2, 3 and 4 were found to have ISBOs as drivers.

Cases #1 and 2 were found to have ISBOs for having internationally skilled people at headquarters as a driver. The other cases did not demonstrate this need. This ISBO incorporates both human resource planning issues as well and knowledge transfer after repatriation. With the cost of relocation being so high, it is explained that international assignment can also serve to bring back knowledge to the employees at headquarters. Case #2 explains that having internationally skilled people at headquarters can also be useful in filling vacant positions in the organization. This is done through forecasting the needs and supply of the workforce and setting goals for meeting the identified needs.

Need to remain competitive was the driver brought out by Case #1. They were concerned with the retention of skilled senior employees and remaining competitive through state of the art practices is a good way to ensure that employees will have positive international experience and will not look for employment elsewhere.

Cost of transfer acted as a driver for Cases #2 and 4. Since the cost of international assignments is so excessive, these companies want to ensure that they have used the international HRM practices identified as being “best in class”.

Cases # 1 and 2 have identified company culture as being the driving force behind the implementation of IHRM practices. They strive to reach “best-in class” status.

Summary of Findings for Research Question #2:

Drivers are the motivational forces behind using any facilitator to implement ‘best’ IHRM variables. As was hypothesized earlier, international strategic objectives (ISBOs) for filling an international assignment and for having internationally skilled top executives at headquarters were found to be the driving force behind any implementation effort of “best practices” in international human resource management. Two new variables were added to the list of driving forces as well. These are; cost of transfer, and the need to remain competitive. These variables were found to be relevant in Cases #1 and 2 respectively. Thus there are 4 drivers that have been identified by the participating Canadian multinational corporations.

Research Question #3:

Research question #3 seeks to determine which organizational variables act as barriers to implementation of these facilitating “best practices” in Canadian multinational corporations?

Barriers answer the question “why do Canadian MNCs not adhere to the recommended best practices?” Variables that were identified as barriers through the literature were: the position of human resources in the organizational hierarchy, lack of domestic HR competencies, and time and cost constraints.

In Case #1 none of the barriers that had been noted in the literature were found to have an effect. Instead, three new barriers were introduced. First, lack of communication within human resources departments appears to have contributed to the lack of evaluation of IHRM practices. Since there is no communication about how things are done and for what reason, it is difficult to know if things are being done right and/or where the changes have to be made. A second barrier found was the company culture. For example, benchmark data collected by the company indicated that other organizations in the same industry had an open system of negotiation for compensation and that as a result, these other companies were better able to recruit the best candidates that way. Respondents felt that the company culture of this particular organization however, dictated a formalized but less flexible approach. Specifically, it was the company norm to have a consistent policy with strict parameters in place in order to prevent inequity. Accordingly, the ability to negotiate freely with regard to compensation matters was not possible. In this case, company culture clearly acted as a barrier to a demonstrated “best” practice using benchmark data.

In Case #2 the only barrier that was found to be relevant was cost-benefit data. This is not only calculated in terms of dollars, but in terms of practicality, timeliness, efficiency and general acceptance by management.

In Case #3 the barriers discussed in the literature held true. These were: the position of HR within the organizational hierarchy, and lack of domestic HR competencies. In this case it was discovered that HR was not at the same level as other business units and they were not at all involved in business decisions. Also it was found

that many of the prescribed “best” practices were not being utilized in the domestic environment either.

In Case #4, the only variable identified in the literature as a barrier that was found to apply was time constraints. There is usually little lead-time for the HR department to fulfill business unit needs for international assignments and consequently to prepare for them as well.

Cross-Case Analysis: Research Question #3

Lack of communication and evaluation of practices was identified as a potential barrier. By not knowing what each department is doing and why there could be no improvements made to existing IHRM practices to incorporate identified “best” practices. This was found to be the true for Case #1.

Company culture was found to be a barrier in Case # 1. This company does have access to “best practice” data through the literature or benchmark data however company culture with regard to policies may not allow the company to incorporate them.

Cost-benefit consideration emerged as a potential barrier in Cases # 1 and 2. Cost benefit information is not only calculated in terms of cost but also in terms of practicality, timeliness, efficiency and acceptance by management. Therefore a practice may be identified as being “best in class” however if it does not meet these criteria could not be implemented.

Often there is not enough lead-time between a request for an expatriate to go on international assignment and for implementation of all the “best” practices to be

implemented before his/her departure. Therefore, some steps may be omitted due to time constraints. This was found to be relevant in Case # 4.

Position of HR within the hierarchy can be a facilitator if HR is in a favorable position. It may also act as a barrier if HR has no visibility in the corporate structure. This was found to be a barrier for Case #3.

Summary of Findings for Research Question #3

The barriers that were proposed in the original framework: position of HR within the organizational hierarchy, lack of domestic HR competencies and lack of time or budget were identified by Cases 3, 2 and 4 respectively. All of these variables however were also found to act as facilitators or drivers when they were positive; i.e. being well positioned, having the right domestic HR competencies, having the budget and sufficient time etc. New variables added to the list of barriers were lack of interdepartmental communication, lack of evaluation of practices, company culture and cost benefit considerations. These were true to Cases #1 & 2 respectively. Thus there are 7 potential barriers that have been identified.

Research Question #4:

Research question #4 was to determine whether Canadian multinational corporations evaluate the outcomes of their international HRM practice, and what are their reasons for doing or not doing so? The literature stipulates that outcomes are usually measured in terms of expatriate performance as per strategic objectives and expatriate turnover.

In Case #1 expatriate success is the outcome that is looked for. Expatriate success is taken as an indication that the international human resource practices used have been administered properly. Respondents in Case #1 explain that they do not feel the need to formally evaluate the individual practices since outcomes have been favorable in the past. There is however a very general evaluation that is done on an on-going basis. For each region, the on-going costs for the different businesses are looked at and it is asked why the expatriate is there, could it be handled differently etc. They basically look at cost-benefit data.

Outcomes for Case #2 have generally been favorable. They evaluate expatriate success rates, costs, satisfaction, cost-benefit data, policies (benchmark data) and compensation programs.

In Case #3, the only outcome that is looked for is whether the strategic business objectives are being met by the international assignment. Therefore, assignment success measured in terms of performance is the only relevant outcome.

In Case #4, the organizational outcomes of their international HRM practices are closely monitored to establish whether or not the driving forces have been met. Thus they look to see whether or not ISBOs were met, whether future employment goals were met, and whether employees got favorable career moves following their transfers.

Cross-Case Analysis: Research Question #4

Performance as an outcome was true of all cases studied. They look to see if the expatriate has achieved performance objectives that were set out for the assignment.

Aside from performance objectives, it is important to see if the expatriate remained in the position for the length of the assignment and why or why not, he not able to complete it. Cases 1, 2 and 4 looked for lack of turnover as an outcome.

Cases # 1 and 2 assessed whether the assignment was warranted in terms of the cost and the outcome that it produced. Thus, they looked at cost-benefit consideration.

Case #2 looked at benchmark data as an outcome in order to compare themselves to the industry favorably, and remain competitive.

Summary of Findings for Research Question #4

Outcomes that were hypothesized in the original framework (expatriate performance and lack of turnover) were both found to hold true in the Cases studied. There were also two emergent outcomes that were discovered. These were: cost-benefit consideration and benchmark data. Thus there were 4 outcomes identified by the participating Canadian MNCs.

Research Question #5:

Research question #5 was to determine whether the literature proposed framework describes a typical Canadian MNC. That is, to see whether the variables identified by the previous research questions hold together with the relationships identified in the literature proposed framework (Figure 3.5). Modified frameworks for each of the cases are displayed below, followed by a revised complete framework that reflects the cross-case analysis.

In Case #1, two new variables were added to the list of facilitators to the implementation of “best practices” in IHRM. These variables are: domestic HR competencies developed via adherence to all of the “best” human resource practices in the domestic realm and the position of HR within the organizational hierarchy. These variables were originally believed to be barriers since lack of these variables would create negative results. However having these variables was found to facilitate the implementation process for this company. Secondly, HR was well positioned in the organizational hierarchy. They are at the same level as the other business units. A third variable acting as a facilitator is benchmark data. Benchmark data helps to set a standard as to the best practices used in the international arena and this company tries to closely match these practices in order to remain competitive and retain high performing employees.

One new variable was added to the Drivers: that is, the need to remain competitive. Another two variables were added to the barriers as well, lack of inter-departmental communication and company culture. Lastly, cost-benefit data was an emergent outcome in this case. Below is the empirical framework for Case #1, it is a modification of the original hypothesized framework in this paper.

6.1.1 Framework for Case #1:

Drivers → ↓	Facilitators → ↓	Barriers → ↓	Outcomes ↓
<ul style="list-style-type: none"> • Business strategy, need for international assignments. • International strategic business objectives for having internationally skilled top executives at headquarters. • Need to remain Competitive 	<ul style="list-style-type: none"> • Job analysis, Job Descriptions, Job Specifications • Recruitment (qualified recruiter, RJP) • Selection • Training (needs analysis, cross cultural training, OJT) • Performance Appraisals (Behavior observation scales, timing of appraisal, rater qualifications, location of rater) • Career Development and repatriation, and • HRP (forecasting needs/supply, establishing goals) • Domestic HR competencies • Position of HR within the hierarchy • Benchmark data 	<ul style="list-style-type: none"> • Lack of inter-departmental communication • Lack of evaluation of IHRM practices • Company culture 	<ul style="list-style-type: none"> • Performance • Lack of turnover • Cost-benefit data



In Case #2 one new driver was introduced: cost of transfer. A new barrier was also identified: Cost-benefit consideration. Lastly, benchmark data represents the added variable in the outcome section. Below is the framework for Case #2, it was modified to include these new elements.

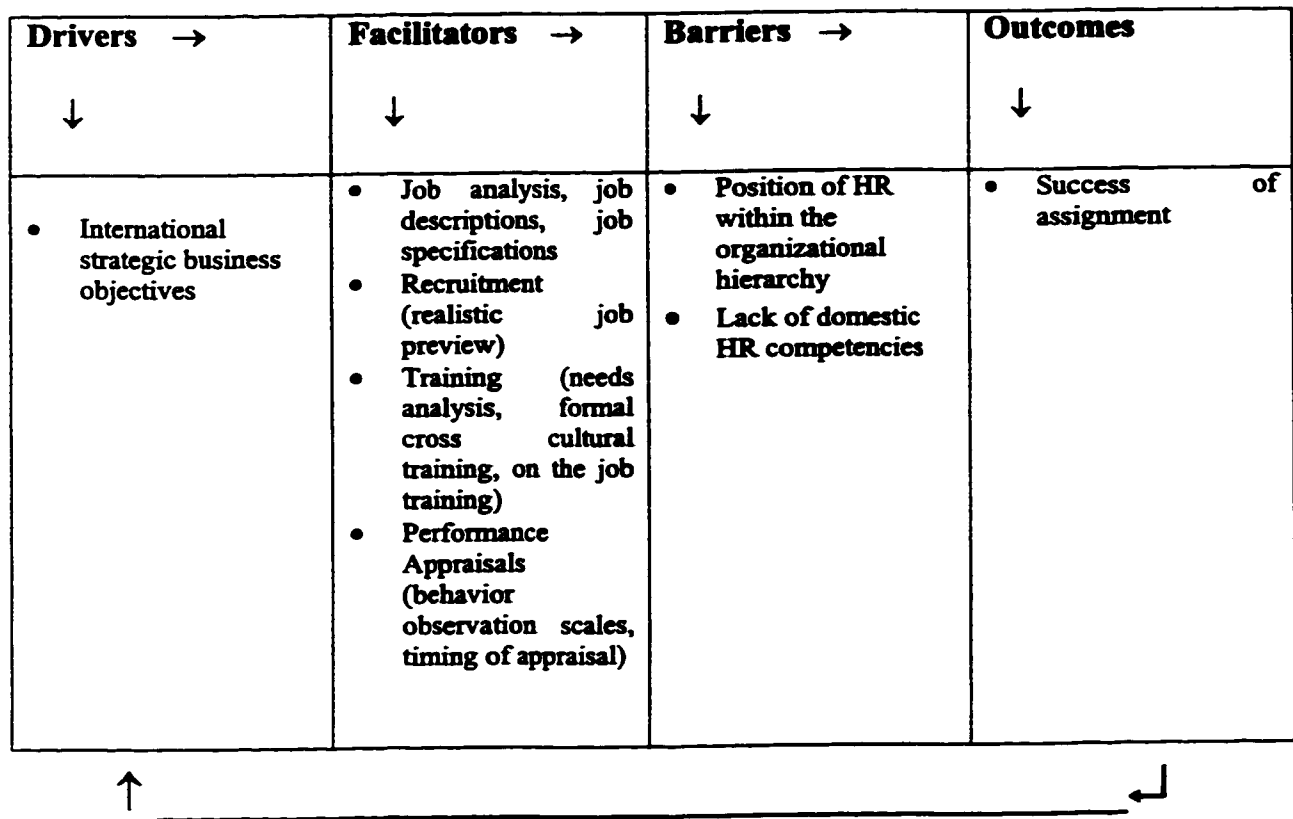
6.1.2 Framework for Case #2:

Drivers → ↓	Facilitators → ↓	Barriers → ↓	Outcomes ↓
<ul style="list-style-type: none"> • Business strategy, need for international assignments. • International strategic business objectives for having internationally skilled top executives at headquarters. • Cost of transfers 	<ul style="list-style-type: none"> • Job analysis, job description, job specifications • Recruitment (qualified recruiter, realistic job preview) • Selection (structured interview, performance appraisals and management profiles) • Training(needs analysis, formal cross-cultural training, OJT, training evaluation) • Performance Appraisals(behavior observation scale, timing of appraisal, location of rater) • Career Development and repatriation, and • HRP and it's link to strategy • Domestic HR competencies • Position of HR within the hierarchy 	<ul style="list-style-type: none"> • Cost-benefit consideration 	<ul style="list-style-type: none"> • Performance • Lack of turnover • Cost-benefit consideration • Benchmark data



Below is the empirical framework for Case #3. It is a modification of the original hypothesized framework, although no additional variables were revealed in this analysis.

6.1.3 Framework for Case #3:



Below is the empirical framework for Case #4. It is a modification of the original hypothesized framework. One new driver was identified: cost of transfer.

6.1.4 Framework for Case #4:

Drivers → ↓	Facilitators → ↓	Barriers → ↓	Outcomes ↓
<ul style="list-style-type: none"> • International strategic business objectives for having international assignments and for having skilled top executives at headquarters. • Cost of transfer • Career development/ knowledge transfer assignments. 	<ul style="list-style-type: none"> • Job analysis, job descriptions, job specifications • Recruitment (realistic job preview, qualified recruiters, evaluation of recruitment) • Training (needs analysis, formal cross cultural training, on the job training, evaluation of training) • Performance Appraisals (behavior observation scales, timing of appraisal, rater qualifications, rater location, informal consideration of complexity) • Career development (international assignments for developmental purposes, effective repatriation) • Human resource planning (forecasting needs, achieving goals) • Domestic HR competencies • Position of HR within the hierarchy 	<ul style="list-style-type: none"> • Time constraints 	<ul style="list-style-type: none"> • Performance • Lack of expatriate turnover • Achieving HRP and career development goals.



Cross-Case Analysis: Research Question #5:

The final framework is shown below. It has been modified to incorporate all of the practices of Canadian multinational corporations that were discovered through this research.

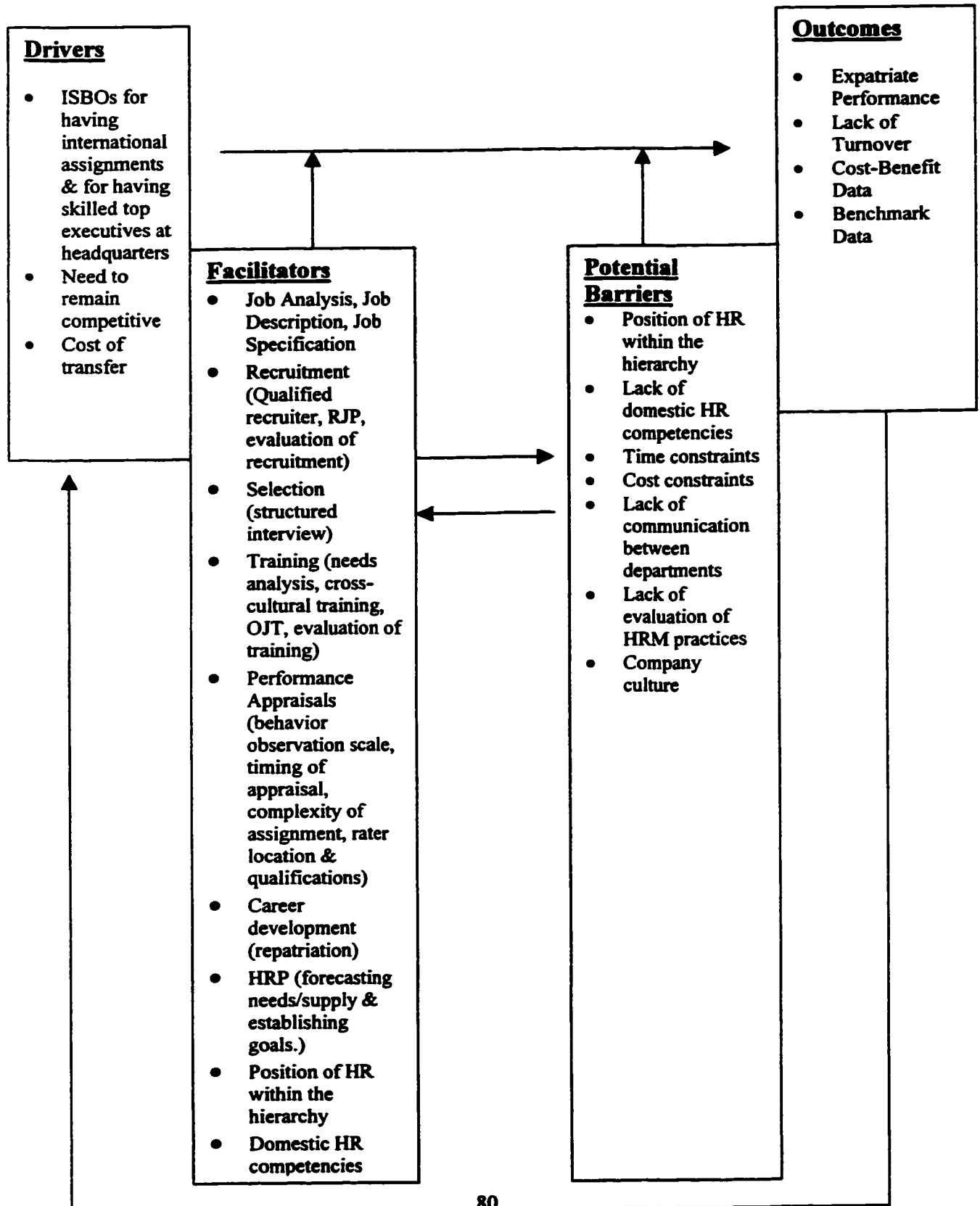
It was found that most variables pre-identified as either a driver, facilitator, barrier or outcome had different roles depending on the company context, and acted as either one of these categories interchangeably. The model was thus changed to match the reality of the current Canadian multinational corporation.

The first step is to establish the drivers or reasons for implementing any of the facilitating variables towards reaching a “best” practice level of operation in international HRM. Arrows are placed from the drivers to the outcomes to show the motivation for the process.

An arrow is then placed from the facilitators to the possible barriers and vice versa. “Barriers” were changed to “potential barriers” since the positive state of some of these variables also act as facilitators.

Lastly, “outcomes” are linked back to “drivers” as it was found that outcomes stemming from an implementation of “best” IHRM practices should be linked to the original driving forces behind them.

6.1.5 Final Framework:



7.0 DISCUSSION

7.1 THEORETICAL AND PRACTICAL IMPLICATIONS

In this section, the conclusions of the review of the literature with those of the findings of this research study will be discussed according to each of the HR areas studied, to determine the extent to which the literature's findings match those of the Canadian reality. Future research needs will be raised, as well as practical implications for organizations.

The first research question sought to determine which international HRM “best practices” were being applied to facilitate the effective management of IHRM in Canadian MNCs. The facilitators discussed in this study, were really shown to represent “best in class” practices in the international HRM area. The list of facilitators identified may also provide clues to Canadian MNCs seeking to improve the effectiveness of their international human resource management activities.

Job Analysis, Job Descriptions, Job Specifications

As was mentioned in the literature review, a recent study indicated that few Canadian firms take the time to develop job descriptions and to specify interpersonal as well as technical KSAOs, let alone assess person-job fit for the specific job or job context (LeClair and Lituchy, 1996). However, this study has shown that Canadian firms do take the time to perform job analyses and develop job descriptions. The focus of their job specifications however, remains mostly on technical skills. Moreover, consistent with the findings of the LeClair and Lituchy (1996) study, assessment of person-job fit (which

would include the candidate's motivation for going abroad) is consistently omitted. Based on the reasons provided, it is clear that these organizations view technical ability as the top priority. The participating organizations felt that any interpersonal issues could be addressed with cross-cultural training, and that any motivational issues could be managed through self-selection following the realistic job preview. Organizations seem to be indirectly shifting the responsibility of effective selection on the candidates themselves. The Cases examined in this research seem to have good results with this method, however future research is needed to examine the implications of this method.

Recruitment

The literature has pointed to three best practices in the area of recruitment; having a qualified recruiter, the use of the realistic job preview and the evaluation of recruitment practices. The findings of this research with regard to these practices will now be discussed.

It was unclear through the review of the literature, who is responsible for the recruitment of expatriates in Canadian firms, or what qualifications recruiters possess. In the Cases studied it was found that recruitment is a coordinated effort between the head of the business unit that is requesting an expatriate, and human resources. In terms of qualifications, the recruiters are usually trained by an outside training group, therefore the content of the training is unknown. Therefore although most organizations claim to train their recruiters, they have little knowledge as to their core competencies and what this may imply for the recruitment quality of expatriates in their organizations. Future research should attempt to set guidelines as to the training recruiters should receive and

the skills required to recruit effectively.

It was also questionable through the review of the literature whether any Canadian firms that are using realistic job previews, distinguish between expatriates with spouses or with children or whether any attention is paid to the issue at all. In this study, it was found that realistic job previews served to prepare candidates for the situations that may arise. In many cases the trailing spouse was sent to workshops in order to gain accurate expectations of the international assignment. Therefore candidates were presented with maximum information in order to self-select if they did not feel ready. In no case was the spouse or family used as part of any selection criteria. Therefore, Canadian MNCs seem to place great importance to the use of realistic job previews, not only to help candidates create accurate expectations of the international assignments, but also to help them monitor their readiness to go abroad through self-selection. This practice can potentially help reduce expatriate culture shock and turnover, thus saving the organization lost productivity time at the beginning of assignments and potentially saving thousands of dollars by the expatriate staying to complete the assignment.

Evaluation of recruitment effectiveness is another topic that is thoroughly addressed in the domestic recruitment literature, but less so in the international literature. This issue was divided in the cases studied. Those who did evaluations looked directly at the outcome of the assignment for a measure of effectiveness (i.e. pre-mature returns and reasons why and expatriate performance assessments). These tie directly into the international strategic objectives that are set out at the beginning of assignments. Those for whom evaluation of recruitment is not part of their process, gave reasons such as: not enough people going abroad; HR does not have a global picture of recruitment practices

(lack of communication) and assignments are generally successful. This was generally the case for the smaller organizations. Therefore greater research attention should be paid to the specific constraints of smaller organizations. Perhaps other guidelines could apply to smaller organizations, which would better reflect their operational reality.

Selection

In reviewing the HR area of selection, the international literature suggests that few of the recommended selection predictors (structured interviews, paper and pencil tests, and biographical data) are being used. Past research (LeClair and Lituchy, 1995), found that in Canadian firms, the interview was the tool most commonly used for selection. The same study also reported that less than 20% of the firm surveyed used Paper and pencil tests as a selection tool. Similarly, this research confirms the widespread use of the structured interview, and confirms the lack of use of paper and pencil tests as a selection tool.

Research on Biographical data revealed that this tool is widely used in the internal selection of expatriates (Dowling et al., 1994). In contrast, this study finds that Canadian firms are not using biographical data information in their selection process. Organizations should examine their reasons for not using a readily available source of candidate information in making their selection decisions. Future research should also explore why this is the case, particularly in Canadian organizations.

Training

The literature recommends that effective training should begin with a needs

assessment. Most studies on training however, make no mention of this step as part of their process (Rehany and Saks, 1994; Tung 1981). In the cases studied throughout this research however, it was found that needs analysis was consistently conducted. Training was tailored to the needs of the individuals as well as in relation to the country and length of assignment.

In terms of the prevalence of formalized classroom based training, studies show that little is done to formally prepare the expatriate (Tung, 1981). In contrast however, this research has shown that training is consistently offered to expatriates. Therefore we can see that organizations have begun to place a greater emphasis on the training function. Perhaps greater awareness of the importance of training has prompted organizations to react with greater adherence to this best practice. It could also be that barriers identified in the literature which make it difficult for organizations to comply to some of the best practices, such as time constraints, have now been improved. Further research in this area is needed to discover why this is the case. The quality of the training that is offered however, remains questionable. Training is almost always provided through an outsourced vendor, and the content of the training is typically language and cultural. Methods used for training and qualifications of the trainers however, remain unanswered. Therefore, we can see that it is increasingly important to organizations to provide the training, but they have not yet reached the stage of being able to assess how efficient it is. Organizations must place greater emphasis on training content as well as trainer qualifications in order to ensure that the service offered is valid.

Prevalence of on-the job training in Canadian firms was also a question that remained unanswered in Canadian firms. This study confirms that on-the-job training is a

very informal process, those who chose to have it can find a mentor or be assigned to one. The mentor is usually a peer at the local subsidiary. The qualifications of the mentors however, remain unclear. Evaluation of the OJT however, was a practice only seen in the larger more formalized organizations. Therefore firms do not opt for either an on vs. off the job training method, classroom training is a standard practice and OJT is available to those who seek it out. OJT is a hands-on method of learning while providing the interpersonal contact of an experienced peer. Organizations should start considering the importance of OJT for expatriates who particularly require this type of support at the beginning of their assignment when they are potentially facing some adjustment issues and are at the beginning of their learning curve for the job.

Lastly, lack of evaluation of training programs has been reported by a number of HR researchers (Goldstein, 1980; Latham, 1988; Wexley, 1984). In this research it was found that evaluation is not consistently performed across all organizations. Reasons given include high success rate with expatriates and not enough expatriates going abroad. If evaluations aren't being done, and cross-cultural training constantly recommended to improve cross-cultural self-efficacy while abroad, then we don't really know how Canadian expatriates are doing abroad. And if they're doing well, then what does that imply for the so-called importance of self-efficacy? Further research in this area is needed. Those that did evaluate the training did so through quarterly performance reports. On a more informal level however, they also had access to reports and on-going feedback through the external training vendors. Organizations must really start to place a greater emphasis on the evaluation of training programs to ensure that it was useful for the participants and that there was an effective transfer of knowledge throughout the sessions

provided.

Performance Appraisals

In researching 'best practices' for performance appraisals it was found that consideration as to when the evaluation takes place, whom is conducting the appraisal, how it is conducted, and according to what criteria, are variables that are important to consider. It was unclear however if these criteria are being considered by Canadian firms. In this research it was shown that performance appraisal forms differed in terms of business objective, but did not consider the complexity of the assignment by including cross-cultural dimensions on the scale. It was explained however, that there are sections available for comments on cross-cultural issues in some of the cases and that cross-cultural issues can be extracted from the measures already on the form. Therefore organizations do not explicitly measure cross-cultural adaptation on their forms. Informally extracting this information from other measures however, may open up the possibility for faulty interpretation of findings and for potentially arriving at erroneous conclusions. Further explanation is needed as to how their process works, and how cross-cultural issues are dealt with when it is sensed that there may be a cross cultural adjustment problem at hand.

Timing of appraisal was considered in all of the cases studied as was the location of the rater. In most cases, formal appraisals were conducted once a year, however performance was reviewed quarterly. Raters were a mix of home and host-country supervisors or simply host country supervisors in line with the recommended practices. Rater qualifications however still remain unclear. Again, although most companies have a standard format, since cross-cultural issues are not explicitly part of the scale, raters must

extract these issues from other components of the scale. If organizations are doing this, they must then ensure that the raters do this in a valid way and are properly trained to do so. Rater competencies as well as training content for doing this must be researched further.

Career Development

Literature has shown that expatriate assignments have failed to become a part of overall career development strategy in 50 Canadian and U.S. firms studied (Adler and Bartholemew, 1992). In this research it was shown that job rotations were very much a part of career development strategy and performance was assessed to monitor progress as well. However it was mostly seen in the larger organizations and for high level positions.

Also, research has found that the issue of repatriation was also not addressed as much as preparing expatriates to go abroad even though many expatriates have experienced difficulties post return (Harvey, 1989). In this research it was shown that repatriation issues are addressed, albeit to differing degrees. Larger organizations offer support through personal counseling, employee assistance programs and debriefing sessions. The smaller ones simply state that support is available to those who seek it out. The methods used, or the quality of this support however, is not clear. Future research should address the issue of repatriation in Canadian MNCs more in depth. Organizations must re-examine the importance of effective repatriation if they are to avoid the potential readjustment of problems of repatriates be they social or job related, as well as the possibility for employee turnover post-return.

Human Resource Planning

The literature points to a substantial gap between what is recommended for human resource planning and what most organizations actually do in this area (Terpstra and Rozell, 1993). This research shows that most firms did engage in human resource planning however, planning was mostly done at very senior levels. Those who followed the “best practices” more closely were found to have this competency in the domestic realm as well. This is in line with our earlier assumption about the link between domestic and international competencies. Future research should study this issue to see if this line of reasoning holds with greater samples, across different operational areas and across diverse industries.

The second research question put forth in this study, sought to determine which international HRM variables act as drivers to implementation of “best practices” in Canadian MNCs. The list of drivers identified may provide a reference tool for Canadian MNCs’ self-comparison against the motivational forces for implementing facilitators in other Canadian MNCs.

The literature suggests that the need for international assignments and their proper management, stem from the need to meet international strategic objectives and have internationally skilled top executives at headquarters. This research finds that cost of transfer, and the need to remain competitive are other drivers for the use of facilitators. Therefore, perhaps the motivations for international assignments are encompassing other areas which may be increasingly relevant in the context of today’s businesses. Future research in this area could help to identify other drivers for international assignments in the Canadian context, or at best, help to further explain those already identified.

Research question #3 sought to determine which organizational variables acted as barriers to implementation of facilitating “best practice” variables in Canadian MNCs. The barriers discussed in this research may help to create awareness in Canadian MNCs as to what obstacles they can face when it comes to implementing “best practices” and raise ideas as to how to find solutions for overcoming these.

The barriers identified in the literature, (position of HR within the hierarchy, lack of domestic HR competencies and lack of time or resources), seem to hold true for Canadian MNCs as well. Since these issues seem to be prevalent in most organizations, greater attention should be paid to finding ways to counter these problems. Future research could address some of these issues. What is more interesting however, is a more in depth research of the new barriers discovered in this study; (lack of interdepartmental communication, lack of evaluation of practices, company culture and cost-benefit considerations). Issues such as the prevalence of these variables as well as their applicability to other organizations should be further researched.

Research question #4 sought to determine whether Canadian MNCs evaluate the outcomes of their international HRM practices and what their reasons are for doing or not doing so. The literature has suggested that expatriate performance and lack of turnover are the outcomes that are typically looked for as a measure of assignment success by most organizations. Although this research seems to confirm that fact, it was also found that cost benefit consideration as well as benchmark data were relevant outcomes. Benchmark data differs from evaluation of practices since it looks outside the organization to similar environments to determine “best practices”. This tool was only seen to apply in one of the cases studied. Perhaps research on a larger scale would find greater implications to using

this measure as a basis for evaluating outcomes in organizations.

Research question #5 sought to determine whether the literature proposed framework in fact described a typical Canadian MNC. The final framework examined in figure (6.1.5), did not drastically differ from the literature proposed framework. It was however modified to include emergent variables in each of the categories studied (i.e. drivers, facilitators, potential barriers and outcomes). It is assumed that these variables better reflect the reality of Canadian MNCs. Future research with regard to these emergent ‘best practice’ variables is necessary to confirm if this is true of Canadian MNCs, and also to look deeper into the rationale for implementing some of these facilitators as well as obstacles for not doing so. This research however, serves as a first step in setting the ground for examining some of these issues in the Canadian context.

7.2 CONCLUDING REMARKS

Throughout this discussion it was evident that there are several international human resource management issues, which still warrant future research attention. It was also clear that organizations have many significant questions left to address with regard to their IHRM practices and the effectiveness of these. This research however, was able to point to best practices for numerous IHRM areas and research the prevalence of their use in a sample of international Canadian organizations. Accordingly, this study was able to provide reasons for why organizations incorporate “best practices” as a formal part of their processes and why they do not, thus providing answers to the general research objectives set out by this study.

First of all, it was questioned whether or not firms that are effectively running their human resource activities domestically were as proactive in the international human resource domain. That is whether or not human resource competencies generalize from realm to realm. It was evident through this study that those organizations which already had domestic competencies were most likely to apply best practices to their international human resources practices as well.

Secondly, this study sought to answer the question of why firms are not adhering to theoretically advised « best practices » and why not?" The results of the study show that barriers differ from organization to organization depending on the extent to which their international competencies are developed as well as on the number of international assignments they manage. The less developed the organization with respect to international competencies and with respect to the number of expatriates abroad was found to better match the preliminary MNC framework derived from the literature. Cases with greater international demands faced challenges that were not previously accounted for such as; inter-departmental communication barriers and company culture. These variables should be further researched to examine their exact role and the constraints they impose on Canadian organizations. This will help give insight into how existing « best practice » recommendations might need to be modified in the literature.

Finally, based on the findings, we can ultimately agree that the literature findings on weaknesses of U.S.-based MNCs' international HR practices do indeed apply to Canadian MNCs. Nevertheless, new variables also emerged, and it is important for researchers to try and replicate this study with a greater sample in order to be able to make more general assumptions about the findings.

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Appendix A : Cover letter to Questionnaire

Dear Mr X.....,

As per our telephone conversation, I am writing to thank you for your organization's agreement to participate in my master's thesis research. As mentioned on the phone, I am a student in the Master of Science in Administration program at Concordia University, and the title of my research is; « The Expatriate Management Policies of Canadian Multinationals ». I have conducted an extensive literature review on the recruitment, selection, training and management of expatriate employees with the goal of identifying a set of « best practices » for expatriate management. Please find attached a copy of preliminary research questions which I would like you to complete prior to our interview.

Your participation in this study would involve (1) completing this questionnaire, and (2) devoting approximately one hour and a half of time for a face to face interview at your location, at an agreed upon time. Please answer as completely as you can on the questions, whatever remains incomplete will be followed up in the interview. Do not worry if you can't complete it as well as you would have liked. In return, I will be glad to share with you a summary of the findings of my study. I am interested in observing the pattern of findings across the various participating companies, rather than in the particular practices of any one firm. Also, please be assured that the University's high professional standards of confidentiality will be maintained.

Your participation in this research will go a long way toward helping Canadian firms to become more competitive in the international arena. Thank you for the consideration you are giving this study. Should you have any questions regarding the study or any questions about terminology used in the questionnaire, please do not hesitate to contact me at :(514) 747-3151, by e-mail at Cori @ Vax 2. Concordia.ca., or via fax (514) 848-4292. I look forward to receiving your complete questionnaire by January 30th, 1998.

Corinne Abikhzer, M.Sc. Student.

Appendix B : Questionnaire

A Study of Canadian Expatriates Working in Ireland

Thank you very much for agreeing to participate in this study. There are 9 sections to this questionnaire. Please answer each section fully on the spaces provided. Thank you.

Part 1 (A): Background Information about You and Your Company

Company name:

Company size (# of employees):

Revenue:

Number of countries of operation:

Total number of employees in Ireland Subsidiary:

Number of Canadian employees in Irish Subsidiary:

Position of Human Resources within the organizational chart (Please indicate level, or better still, please enclose a copy of the organizational chart):

Your name, title and contact information:

(Note : Please affix a business card, so that we may contact you for clarification prior to the interview if necessary.)

Part 1(B): Classification of your firm's International Phase and Strategy (adapted from: Adler and Ghadar, 1990):

In this section, please indicate your firm's degree of internationalization by classifying it as international, multinational or global. Circle the description corresponding to your firm's position for each of the category characteristics provided in the left margin. Doing so will allow us to explore the relationship between stage of internationalization of a firm and its expatriate management practices.

Stages of Internationalization

Category	Phase 1 : International	Phase 2 : Multinational	Phase 3 : Global
Primary orientation	Market	Price	Strategy
Competitive strategy	Multidomestic	Multinational	Global
Importance of world business	Important	Extremely Important	Dominant
Product/ Service	More Standardized	Completely standardized	Mass-customized
Technology	Shared	Widely shared	Instantly and extensively shared
R&D /Sales	Decreasing	Very low	Very high
Profit Margin	Decreasing	Very low	High yet immediately decreasing
Competitors	Few	Many	Significant (few or many)
Market	Large / Multidomestic	Larger, multinational	Largest, global
Production Location	Domestic and Primary Markets	Multinational, least cost	Global, least cost
Exports	Growing/ high potential	Large, saturated	Imports and exports
Structure	Functional with internal division Decentralized	Multinational lines of business Centralized	Global alliances, heterarchy Coordinated, decentralized

Part 2: Questions about your firm's worldwide expatriate activities

We are interested in your international human resource practices in general, but are particularly interested in your firm's management of expatriates working in Ireland. So, for questions on which policy for general expatriates differs from that of Irish-based expatriates, please specify the differences.

1. (a) To the best of your knowledge, how many expatriates does your company presently have on international assignment? _____.
- (b) Are the same expatriates sent each time an international assignment arises?
Yes _____ no _____.
- (c) Do you expect the number of expatriate assignments used by your firm to increase over the next five years? Yes _____ no _____.
- (d) If yes to (c), then by what % _____.
2. What is the average duration of international assignments? (give average range in years) _____.
3. (a) Does the average duration of an expatriate assignment differ by country?
Yes _____ no _____.
- (b) Does the average duration of an expatriate assignment differ by business objective?
Yes _____ no _____.
4. To what countries are expatriates typically sent? (please list names of countries) _____.
5. How many human resource staff are available to manage (from an HR perspective), the employees on international assignments? _____.
6. (a) What are the educational qualifications of your international human resource staff? (Please indicate % having attained highest level of education as below)
_____ % high school
_____ % college/cegep degrees
_____ % undergraduate degrees
_____ % graduate degrees
7. Approximately how many « inpatriates » from subsidiaries of your company come to work at Canadian headquarters for even a small amount of time? _____ %

8. To the best of your knowledge, what percentage of your Canadian-based employees are telecommuters? _____ %

Part 3 : Questions about Job Analysis, Job Description, and Job Specifications for all international assignments in your company :

9. Are job descriptions developed for overseas assignments? Yes _____ no _____.

10. (a) Is a job analysis performed to produce this job description? Yes _____ no _____.

(b) If so, what kind of job analysis method is used? (Please check one).

- _____ Functional job analysis
_____ Critical Incident Technique
_____ Position Analysis Computerized Questionnaire
_____ Some combination of above
_____ Other (explain : _____).

11. Are any of the following factors considered when determining the expatriate job specifications (ie; knowledge, skills and abilities)? (check all that apply)

- _____ duration of assignment
_____ political volatility of host country
_____ cultural novelty of host country
_____ other (explain : _____).

12. Are the job specifications (ie; knowledge, skills, and abilities) suggested in the expatriate job descriptions documented explicitly somewhere?

Yes _____ no _____.

(If possible, please attach a sample job description with your returning questionnaire)

13. Are the job descriptions posted internally (within the firm)? Yes _____ no _____.

14. Which of the following are commonly used for positions that are not international assignments (i.e. positions where the employee works in Canada)? (check all that apply).

- _____ job analyses
_____ job descriptions
_____ job specifications
_____ other (Please explain : _____).

Part 4 : Questions about your firm's international recruitment practices for all international assignments worldwide :

15. Are recruiters trained to conduct interviews? Yes _____ no _____.

16. Are « realistic job previews » (ie. Overviews of the pluses and minuses of an international assignment) presented to interested candidates?

Yes _____ no _____

17. Please indicate what proportion of expatriates are hired internally vs. externally.

_____ % internally hired
_____ % externally hired

18. Please indicate the proportion of expatriates that are selected from different levels of your organization :

_____ % top
_____ % middle
_____ % lower

19. How many years of company service do most of your expatriates typically have before becoming expatriates? _____ (years).

20. Do you ever evaluate the effectiveness of your international recruitment practices?

Yes _____ no _____

21. Please indicate whether the following practices are ever done in the domestic context?

(a)	training recruiters;	yes _____
no _____		
(b)	using realistic job previews;	yes _____
no _____		
(c)	using internal recruitment;	yes _____
no _____		
(d)	evaluating recruitment practices;	yes _____
no _____		

Note : Please attach demographic and work experience profiles of your company's expatriates, by country of assignment, if possible. Please attach a sample 'realistic job preview' (RJP) commentary, if possible.

Part 5: Questions about your firm's selection of expatriates for international assignments worldwide.

22. Are the HR personnel in charge of your expatriates in a particular country trained in employment law issues for that country? Yes _____ no _____.

23. (a) Is existence of an « expatriate spouse » considered as part of the selection of a potential candidate?

Yes _____ no _____.

(b) Is existence of an expatriate's dependants (i.e. kids) considered when making a selection decision?

Yes _____ no _____.

(c) Are either of these considerations ever used to conclude that an expatriate candidate might not be suitable for the international assignment? Yes _____ no _____.

24. (a) Do you keep data on file regarding the potential expatriate's family status?

Yes _____ no _____.

(b) Is this data ever shared with the potential expatriate? Yes _____ no _____.

25. Are you aware of any factors that can affect an employee's willingness to relocate internationally? Yes _____ no _____. If yes, please list the most obvious factors :

Factor 1 : _____

Factor 4 : _____

Factor 2 : _____

Factor 5 : _____

Factor 3 : _____

Factor 6 : _____

If you answered no to Q 25, please skip to Q27. If you answered yes to Q25, then please answer (a) and (b) below.

26. (a) Is this list of factors used to select potential expatriate candidates?

Yes _____ no _____

(b) Is this list of factors shared with the expatriate candidates?

Yes _____ no _____

27. (a) Are interviews used for international selection? Yes _____ no _____.

(b) If so, are the types of questions along the lines of : (check all that apply)

_____ situational interview questions
_____ patterned behavior description interview questions
_____ unstructured, open-ended questions
_____ unsure

28. Have you ever used a paper-and-pencil-type selection test for potential overseas candidates that focused on :

(a) intellectual aptitudes; yes _____ no _____
(b) personality characteristics; yes _____ no _____
(c) unsure _____

29. Have you ever used biographical data as a predictor for international selection?

Yes _____ no _____

30. Do you ever formally evaluate your international selection techniques?

Yes _____ no _____ unsure _____

31. Are the selection techniques described in Q27-29 ever used for selection in the domestic context? (i.e. selection of employees who will remain within Canada)

Yes _____ no _____

32. Do you evaluate the effectiveness of any of these selection techniques when using them in the domestic context? Yes _____ no _____

Note : Please attach sample selection techniques (e.g. interview questions, IQ and/or personality tests, biodata forms, etc.) if possible. Descriptions about the sources and reliability/validity of these tests would be equally helpful.

Part 6 : Questions about your firm's training of expatriates

33. (a) Are expatriates given any cultural training prior to departure to a new international assignment?

Yes _____ no _____.

(b) If yes, of approximately what duration? _____(hours)

(c) If yes, is the training provided in a spaced or massed manner? (ie. Spaced = for example, one hour per week for four weeks : Massed = four hours straight).

Spaced _____ Massed _____.

(d) Who typically provides the training? (please check all that apply) :

_____ former expatriates
_____ HR training staff
_____ outside consultants
_____ other (explain : _____).

If you answered no to Q33, skip to Q35, otherwise please answer this question :

34. (a) Are any of the following training methods used when conducting formal cultural training prior to departure? (Please check all that apply)

_____ Language training
_____ Role playing
_____ Behavior modeling
_____ Lecture
_____ Case exercises
_____ Group discussion
_____ Other (explain : _____).

(b) If the expatriate has a spouse and/or kids, are they ever included in any of the predeparture training?

Yes _____ no _____.

35. (a) Do you have any method of determining whether an expatriate will need cultural training prior to departure? (i.e. do you conduct a formal needs analysis)

Yes _____ no _____.

(b) Do you evaluate the effectiveness of your predeparture cultural training?

Yes _____ no _____.

(c) Do expatriates receive any cultural training (or other) preparing them to return at the end of their assignment?

Yes _____ no _____.

36. (a) Do expatriates have access to a mentor/coach at the subsidiary location who will provide them with on-the-job foreign living and working tips (e.g. cultural norms, how things work in the foreign subsidiary, particular technical details of the job, etc...) over the course of their international assignment?

Yes _____ no _____.

(b) If yes, is the coach made available to the expatriate's spouse and/or kids as well as for any questions they might have? Yes _____ no _____.

(c) If yes to (a) or (b), who typically provides the coaching? (Check all that apply)

- _____ peer at local subsidiary
- _____ supervisor at local subsidiary
- _____ supervisor at headquarters (communicating long distance)
- _____ human resource representative at the local subsidiary
- _____ former expatriate (formerly based in Ireland; now in Canada)
- _____ other
- _____ none of the above
- _____ not sure

37. If you answered yes to Q36 (a), has the person conducting the coaching received any training on how to be an on-the-job-trainer? Yes _____ no _____.

38. Do you ever evaluate the effectiveness of your firm's on-the-job training?

Yes _____ no _____.

39. When your company conducts management training for employees *in the domestic context* does it : (Please check all that apply)

- (a) conduct a needs analysis : yes _____ no _____
- (b) tend to use experiential methods
(e.g. role plays, videos, cases); yes _____ no _____
- (c) formally evaluate the training; yes _____ no _____

Note: Please attach a sample course outline for the cultural training course and/or evaluation form if you have one.

40. (a) If the expatriate's spouse is employed in the home country (i.e. Canada), is there any HR representatives available to facilitate the spouse's job search in the foreign locale?

Yes _____ no _____

(b) If yes, who does the facilitation?

- _____ human resource representative at the foreign locale?
- _____ human resource representative at headquarters?
- _____ other (please specify : _____)

41. Is there any human resource representative available to counsel and assist the expatriate family *with children* on school enrollment abroad? Yes _____ no _____.

Part 7: Questions about performance appraisals of expatriates

42. (a) Do you have a particular type of form for conducting performance appraisals at your home country location (i.e. in Canada)? Yes _____ no _____

(b) Do you use a performance appraisal instrument for appraising expatriates?

Yes _____ no _____

(c) If yes to (b), is it exactly the same form as in (a)? Yes _____ no _____

43. What is the frequency for conducting performance appraisals of your expatriates once they are sent abroad?

- _____ every quarter
- _____ twice a year
- _____ once a year
- _____ only upon their return
- _____ not at all
- _____ not sure

44. Please indicate which characteristics of the host-country if any are taken into consideration when conducting performance appraisals of expatriates? (check all that apply)

- _____ political volatility
- _____ language differences
- _____ cultural differences
- _____ other (explain : _____)
- _____ none of the above

45. Please indicate who is typically responsible for conducting expatriate performance appraisals?

- _____ home country (Canadian) supervisor
- _____ host country supervisor (e.g. supervisor based in Ireland)
- _____ some combination of above
- _____ subordinates at the host country (foreign location)
- _____ clients at the host country (foreign location)
- _____ self-appraisals only
- _____ peers at host country (foreign location)
- _____ not applicable (no formal performance appraisal of expatriates is done).

46. (a) Do those who conduct the performance appraisals receive any training in conducting performance appraisals? Yes _____ no _____.

(b) Have they themselves ever had any international experience? Yes _____ no _____.

47. Are the performance appraisal results tied to career advancement? Yes _____ no _____.

Part 8 : Questions about career development of expatriates :

48. (a) While abroad, how often does the expatriate keep in touch with human resources? (Please estimate the number of communication weekly, monthly, yearly. Feel free to comment as to whether these occur at the start of the assignment or later).

_____ weekly
_____ monthly
_____ yearly

(b) Via which method of communication is contact typically maintained?
(Please check all that apply)

_____ E-mail
_____ phone
_____ actual visits
_____ some combination of above

49. (a) Do you know the approximate date when each of the expatriates currently overseas will complete their assignments?

Yes _____ no _____

(b) Is the expatriate in each case generally aware of this time frame?

Yes _____ no _____

50. Are job postings for possible positions post-international assignment made available to the expatriate while abroad? Yes _____ no _____

51. (a) Do you have any idea what type of assignment most expatriates will likely undertake upon return?

Yes _____ no _____

(b) If yes, were these discussed with the expatriate prior to departure for the international assignment?

Yes _____ no _____

(c) If yes, are they typically reviewed with the expatriate prior to their return home?

Yes _____ no _____

52. Who is typically in charge of finding the repatriate a new position upon his/her return? (Please check all that apply)

_____ the expatriate him/herself
_____ human resource representative at the local subsidiary
_____ human resource representative at headquarters
_____ the expatriate's senior manager at home
_____ other (explain : _____)

53.(a) If yes to 49 (a), are expatriates, upon completion of their international assignment usually promoted to a position of greater responsibility than before their departure?

Yes _____ no _____.

(b) If yes to 49 (a), does the assignment upon return typically draw upon the international/cross-cultural knowledge, skills and abilities (KSA's) which the expatriate has developed while abroad?

Yes _____ no _____ unsure _____.

54. Are employees interviewed to see what new Knowledge, Skills, and Abilities were gained abroad?

Yes _____ no _____

55. Are there any special events (e.g. re-orientation programs) arranged to welcome and recognize the returning employee, either formally or informally?

Yes _____ no _____

56. Is there any support available in the way of counseling or workshops to facilitate the family's (spouse and kids) reintegration to the home country?

Yes _____ no _____

57. Are there any post-assignment interviews in place to review the expatriate and spouse's experience and discuss any repatriation issues? Yes _____ no _____

58. (a) Are international job rotations used as part of an overall career development strategy?

Yes _____ no _____

(b) If yes, is the objective of the career development strategy to : (Please check all that apply)

_____ develop upper level managers
_____ develop headquarter-based expertise for cross-cultural training
_____ develop headquarter-based expertise for supervising expatriates

_____ simply increase the international skill set of the firm
_____ other (Please specify : _____).

Part 9: Human resource planning and its link to strategy

59. (a) Are future employment needs systematically anticipated in the domestic realm?
Yes _____ no _____

(b) Are future employment needs systematically anticipated in the international realm?
Yes _____ no _____

60. Where does HR fit into the organizational structure? (Or, if you prefer, please submit a copy of your organizational chart, if available).

61. How closely do upper level human resource managers work with other management executives in the company when business decisions (that could create a need for international relocations) are being made?

0-----1-----4-----7
do not know not involved somewhat highly involved
at all involved

62. Are your firm's human resource executives trained in human resource planning?
Yes _____ no _____ unsure _____.

(Please enclose a copy of a newsletter or annual report indicating your firm's international strategy, if available).

Thank you for having taken the time to fill this questionnaire. I would greatly appreciate if you could fax or mail it back to me by March 25th. If you can at this time also please indicate your availability for the end of March or the beginning of April for an interview lasting approximately 45 minutes at your place of work, we would greatly appreciate it. Please write your preferred date/time on the spaces provided below.

Date

Time

Order of preference :(1) _____

(2) _____

(3) _____

Final checklist : Have you attached (if possible to do so) :

_____ Sample international assignment job description?

_____ Sample realistic job preview content (e.g. sample pluses/minuses of international assignments)

_____ Sample demographic/work experience profile of all your firm's expatriates, by country of assignment, if possible.

_____ Sample descriptions of selection techniques used for international assignments. (e.g. interview questions, personality tests, etc.)

_____ Sample course outline and/or evaluation form for cultural training course.

_____ Sample performance appraisal form for expatriate evaluation.

_____ Copy of newsletter and/or annual report indicating your firm's human resource and/or international human resource strategy.

_____ Copy of your organizational chart.

Appendix C : Follow -up Letter

Dear Mr. X.....,

Recently, I sent you a questionnaire which represented the 1st part of data collection for my Master's Thesis research (entitled « The Expatriate Management Policies of Canadian Multinationals »). This questionnaire contained a number of questions about your international human resource practices.

If you should require an additional copy or further information about the study, I would be glad to provide you with it. I can be reached at (514) 747-3151, by e-mail : Cori @ vax2. Concordia.ca, or via fax (514) 848-4292.

Please be assured that your organization will remain completely anonymous and any related information entirely confidential. If there are any other concerns that may be delaying your completion of the questionnaire, please do not hesitate to contact me and I will do my best to help.

Thanking you in advance for your support,

Sincerely,

Corinne Abikhzer, M.Sc. Student.

Appendix D : Context Summary Form

1. Interviewer _____ Date _____

Duration of Interview _____

Where the interview was conducted _____

Unusual circumstances of the interview _____

2. Atmosphere of interview _____

Description of respondent _____

Respondent's demeanor during the interview _____

Degree of rapport _____

Recommendations/thoughts/ideas _____

Appendix E : Thank-you note

Dear Mr.X....,

I would like to thank-you very much for your participation in my Masters Thesis research. Your involvement has helped me to advance my study and, in the process, to build on existing knowledge about expatriate management policies in Canada. I hope that the recommendations made in this paper about the « best practices » for expatriate management will serve your organization and help to improve your international success.

Should you wish to discuss the results of this study with me, or have me make a formal presentation to your HR department, I would be happy to do so. I may be contacted at : (514) 747-3151, or by e-mail at Cori @ Vax 2. Concordia.ca. until August 23rd, 1998.

Sincerely,

Corinne Abikhzer, M.Sc. Student.

Appendix F : Consent Form

This is to state that I agree to participate in the interview being conducted by Corinne Abikhzer. This project is being sponsored by Concordia University, under the auspices of Professor Leiba-O'Sullivan's Faculty Research Development Grant, on the Coaching and Development of Canadian Expatriates.

I have been informed that the purpose of this research is to investigate expatriate human resource policies in Canadian multinational corporations. I know that there is no hidden motive of which I have not been informed.

I understand that I am free to withdraw my consent and discontinue my participation at any time and without any consequences.

I understand that this interview will be kept strictly confidential and will be available only to the members of the research team.

I understand that excerpts of this interview may be part of the final research report and aggregate data from this research may be published

- () Yes, I agree to have my name or the company's name quoted in the final research report.
- () No, I do not agree to have my name quoted in the final research report.

I have carefully studied the above and understand this agreement. I freely consent and agree to participate in this study.

Name (please print) : _____

Title : _____

Business Mailing Address : _____

Telephone : _____, Fax _____, e-mail _____

Signature : _____

Researcher's Signature : _____

Date : _____

Affix business card if available.

Appendix G: Data Tables

HR Interview: Case #1

Interviewer: Corinne Abikhzer

Interviewee: International HR manager

Interview Date: March 1998

Preamble:

Involvement/ Position of HR:

HR has consultants that work very closely with the business- so they are very involved, they report to the V.P. of HR who reports to the chairman of the board.

Number of people on expat assignments:

60 people. A 5-10% growth is expected in the years to come. The assignments normally last 3-5 years w/out any differences in country of assignment.

Countries of Operation:

U.K., Singapore, the U.S. and the West Indies.

Number of HR Staff:

Two people locally and 1 in the U.K. There are local people in Singapore and the U.S. but, unsure of how many.

Educational Qualifications of HR:

Most have undergraduate degrees.

Part 1: Job Analysis, Job descriptions, Job Specifications

Facts:

- Job descriptions are developed
- Job descriptions are posted internally
- Job specifications are technical

Facilitators	Drivers
HR staff is responsible for developing the job descriptions.(7) They use job analysis techniques to develop them. Specifications are mostly technical skills (7)	Technical skills are first looked at as a first step. Family situation, expatriate experience and willingness to go are then looked upon to determine suitability of the candidate for the position.

Part 2: Recruitment

Facts:

- Unsure about recruiter training
- RJP's are conducted
- Mostly internal recruits

Facilitator	Drivers for RJP?	Drivers for evaluation of recruitment
<p>We have open staffing, so we advertise equally for anyone who is interested. (7)</p> <p>90% internal staffing 80% from the top, and 20% from middle management Typically 5 years of service (7)</p> <p>RJP</p> <p>-The recruiting department (a part of HR) is responsible for going through an RJP. -The expatriates are given all of the information relating to the international assignment, but unsure if they are told of the pluses and minuses so explicitly. (7)</p>	<p>- Dual careers - Children - Schooling (7)</p>	<p>Ideally there should be but there is no formal evaluation because the HR consultant and business manager conduct the actual selection together. The business identifies the candidate and the HR consultant working with that group tries to recruit that person. It is a coordinated effort between "recruiting" and the business unit requesting an expatriate.(7)</p>

Part 3: Selection

Facts:

- Candidates get to HR once selected

Facilitator	Drivers for family consideration	Potential barriers
<p>" We don't want to eliminate people based on status/kids. We just try to pick the best candidates and it's up to them to self-select if they don't feel up to it." (8)</p> <p>The potential expatriate usually comes to HR with the situation, not the other way around.</p>	<p>It is important to consider personal adjustment at the selection stage because it could impact expatriate success in the long-term.</p>	<p>Candidates get to HR once they've been identified, unsure of the types of questions they are asked. (8)</p>

Part 4: Training

Facilitator	Driver	Outcome	Potential barrier
<p>Location : HQ</p> <p>Content: Language training, Case exercises.</p> <p>Methods: It's not standard, it depends on what the consultants deem necessary for a particular assignment. The spouse and kids are usually included. The training is usually given in a massed manner and lasts 1 day (8)</p> <p>OJT: No formal OJT. Depending on location, the expat would go out and network themselves. Therefore, it is not usually available to the spouse and kids.(8)</p>	<p>It depends on the location. " If it's Asia or a difficult country, then we deem there is a need." (8) So it really depends on language and major cultural differences for both the expatriate and family.(8)</p> <p>It also depends on the role the person will occupy, if it's a senior role, they want to make sure no factors will interfere with the work, so they feel the need is greater. (8)</p>	<p>No formal evaluation is done, but success rate could be taken as an indication.(8)</p> <p>Success rate is measured by completion of assignment, and success on the job.</p>	<p>Evaluation is on an individual basis-based on the needs. There is no report. Not evaluated (8) formally, because not everybody gets it.</p>

Part 5(a): Career Development/Performance Appraisals

Facilitator	Driver	Potential Barrier
<p>Frequency: Once a year. But managers should monitor performance throughout the year.</p> <p>Analysis of performance: only job-based performance and other dimensions based on how it relates to the function.</p> <p>Rater: Combined effort between the host and home country supervisor</p> <p>Rater training: In some cases they are trained, but usually just follow the format. (8)</p>	<p>There is a section for managers, peers and clients to give comments about the person's interpersonal skills, level of adjustment etc.</p> <p>Therefore there is room to address other issues and get 360-degree feedback.</p>	<p>It differs in terms of business objective, but there are no c/c issues or dimensions. (8)</p>

Part 5 (b): Career Development (Repatriation)

Facilitator	Driver	Potential Barrier
<p><u>Communication</u></p> <p>Frequency: depends on assignment. Some get home leaves every couple of months and others only once a year. Method: e-mail, phone, and visits. (9)</p> <p><u>Repatriation</u></p> <p>There is some type of communication about repatriation. It's really a combined effort between the employee, the business manager and HR host and local to be able to find a position back home. (9) The individual should be able to know what is going on at HQ to access the electronic posting. It's the repat's responsibility to seek out what positions may be available. (9)</p> <p><u>Post-return Position:</u> It's hard to know, but most will undertake a position higher than the one they left prior to the assignment. Normally the business head will try to work with HR to find what is appropriate. (9)</p> <p><u>Career development</u></p> <p>The company provides the tools: i.e., employee development center, self-learn videos, books and tips you can do yourself and it is up to the employee to manage their careers</p>	<p>"Expats today don't just accept assignments like that, there's a lot of talk about what happens when they get back. So there's more active participation now." (9) High performers are closely watched and their advancement monitored because we want to make sure to retain these individuals. Different dept. groups can identify their people for development opportunities. Succession planning only occurs for the first 200-300 people at very senior levels.</p>	<p>There are no methods or special events for reintegration (9)</p>

Part 6: Expatriate Worldwide Activities and HR Planning

Driver	Facilitator	Potential barrier	Outcome
<p>General guidelines are set for international assignments, but decisions to send someone abroad are based on the needs of the business. Hardly ever any repeat assignments (7)</p> <p><i>"We have to remain competitive and retain high performing employees"</i></p>	<p>Benchmarking is done against the "best" companies. This gives a high level of operation to which the company tries to reach. Therefore they have information as to the best practices, and assess <i>"Does it work within our own organization?"</i></p> <p><u>HRP</u></p> <p>We know when the expatriate is returning; it is negotiated prior to departure. (9)</p> <p>International job rotations are used as part of overall career development strategy and to increase global expertise of the firm.</p> <p>HRP is done at a higher level of HR. (9)</p>	<p>Organizational structure (depending on the company strategy) may not be in line with the company culture. Ex. looking at similar organizations we see that they have an open system of negotiation for compensation. However this cannot work within this org. structure because of a formalized consistent policy with parameters (global consistency) in order to prevent inequity. (10)</p>	<p>There is a very general evaluation done on an on-going basis because international assignments are very expensive. So on-going costs are looked at for each region (cost-benefit analysis) to see if the situation could better be handled differently or if it is efficient as is. (9)</p>

Part 7: Family issues/support

Facilitator	Driver
<p>There is a little bit of support through the visa office when orientation is done; the company would assess what their needs are. "We do an orientation program through our relocation company. Examples of support: proper housing and proximity of schooling for the children (9)</p> <p>There is some facilitation for job search. "most of the time we try to see what we can do on an individual basis, for a job search if we can't get the spouse a work permit, we often pay for them to see a recruiter" (9)</p>	<p>HR support helps the employee to get settled into the role and become more productive quicker. (9)</p> <p>Concerns are specific to each family so needs are taken care of on an individual basis. (9)</p>

Part 8: Domestic

Job Analysis	Recruitment	Selection	Training
Job analysis, descriptions and specifications are used domestically(7)	<ul style="list-style-type: none">• Recruiters are trained• RJP's are used• Internal recruitment is used.(7)	Unsure of the formal methods used in domestic staffing. People send resumes; they are interviewed and perhaps given a test depending on the type of job. (8)	<ul style="list-style-type: none">• Needs analysis is conducted• Use of experiential methods• Training is formally evaluated (8)

HR Interview: Case #2

Interviewer : Corinne Abikhzer

Interviewees : Senior manager for the international human resources department and a regional manager for the Caribbean, Europe and the Middle East.

Interview Date : March 18, 1998

Preamble:

Position of HR :

The V.P. HR reports directly to the chairman of the board. HR is therefore very involved in business decisions.

Countries of Operation:

This is the largest international bank, they are currently in 50 countries in the Caribbean, South and Central America, the Pacific region, the Middle East and Europe.

Number of people on expatriate assignments:

There are 190 people on assignment at this time, and 1 in the Irish subsidiary. The average duration of assignments is 4-5 years.

Number of HR staff:

There are about 10 people that make up the international HR staff locally (at headquarters), and there are also people (not HR) in the countries of assignment who can manage employees on international assignments.

Educational Qualifications of HR staff:

Mostly college with continuing education courses and some undergraduates. « The staff is not formally trained in human resource planning, but have a good knowledge of skills planning. »

Part 1: Job Analysis, Job descriptions, Job Specifications

Facts:

- Job descriptions are developed
- Job descriptions are posted internally
- Job specifications include essential criteria (KSAs) and, key accountabilities

Facilitator

- incumbents and their supervisors are responsible for putting the job descriptions together
- centralized unit, "position evaluation dept" evaluates jobs for the bank worldwide
- committees evaluate how the job relates to other jobs in the bank. (2)

Specifications

-Standard: general accountabilities, reporting relationships, specific accountability, complexity, human relations contact, working conditions, dimensions, budgets, authorized limits of credit. Cultural sensitivity and language depends on the specific unit. (2)

Part 2: Recruitment

Facts:

- **Qualifications of recruiters:** Recruiters are trained using behavioral interviewing workshops, sitting in on interviews and role-playing.
- **RJP:** Realistic job previews are used with expatriates.
- **Evaluation:** Mostly internal recruits, so procedural justice is not an issue at this point.

Facilitator	Drivers for RJP	Outcome
<u>Applicant Pool:</u> -internal -Mostly middle and upper management(3) <u>Sources of Recruitment:</u> -5 yrs of service -job line -regional heads -word of mouth -internal HR system (by experience/ qualifications) - self-identification -int'l development program & testing after 1 yr (3) <u>RJP</u> - Give as much info as possible on position and location - Put in contact with people (branch managers, subordinates) - Have trailing spouse speak to other spouses in location - Have people who worked in location meet and talk with expat - Not in policy due to the expense, but pre-trip possible depending on case. (3)	Transfers are very costly. (3) -parental issues -schooling -cultural issues (4)	-Turnover -failed assignments -performance assessments -Pre-mature returns (is it based on individual or business reasons. (3)

Part 3: Selection

Facts:

- An international legal department is there to review any issues with the individual going abroad.
- Data is kept on file regarding family status. Selection decisions are independent of this information
- Interviews, performance appraisals and a management profile from outside the bank are used as selection tools (no biodata or paper & pencil tests).

Facilitator	Driver	Outcome
<p><u>Selection</u></p> <ul style="list-style-type: none">- need is identified by line management.- They contact HR who's role is to identify candidates for the hiring line manager and provide recommendations <p>A joint decision is then taken between the line manager and HR so there is consensus. (3)</p> <p><u>Interviews</u></p> <p>Ex of questions; "career objectives, mobility issues, why interested in going?" –gets to HR once selected by line management, so unsure of procedure, knows they use a management profile and performance appraisals. (4)</p> <p><u>Family issue</u></p> <p>Trailing spouse is informed of impact on life. (Their choice to self-select) (3)</p>	<p>If family issues are taken care of, the expatriate is more able to concentrate on work.</p>	<p>Not evaluated, but claims high success rate. Right now it is done on a case by case basis. We evaluate how quickly the position was filled and if it was the right candidate for the job. (4)</p>

Part 4: Training

Facilitator	Drivers	Outcome
<p><u>Location</u>: mix of HQ pre-departure and local after arrival.</p> <p><u>Content</u>: cultural, language</p> <p><u>Methods</u>:</p> <p>Unknown</p> <p><u>Qualification of trainer</u>: outsourced (4)</p> <p><u>OJT</u></p> <p>Method: Mentor</p> <p><u>Qualification of mentor</u>:</p> <p>Unclear if took coaching course (4)</p> <p><u>Evaluation</u></p> <p>The facility in the country of assignment sends a report to HR There is also on going feedback and quarterly performance reports. (4)</p> <p>For OJT, a self-assessment report signed by the employee and mentor is sent to the HR regional office.</p>	<p>"You have to have an understanding of the language... it's tailored to the country. (4)</p>	<p>Expatriate Performance (4)</p>

Part 5(a): Career Development/Performance Appraisals

Facts:

- No cross/cultural dimensions are used on the international appraisal form.

Facilitator	Drivers
<p>How are performance reviews conducted?</p> <p><u>Frequency</u>: continual, but formally once a year</p> <p><u>Analysis of performance</u>: c/c adaptability is addressed</p> <p><u>Rater</u>: local vs. HQ supervisor (depending on reporting relationship)</p> <p><u>Rater training</u>: Unclear about rater training (5)</p> <p><u>The appraisal form</u></p> <p>The appraisal form is still based on technical/work goals, but while some goals may be interpersonal, the c/c aspects are not made explicit. (5)</p> <p>However there are sections on: leadership, steps taken to develop staff, staff morale, employee satisfaction survey, motivation/turnover, Timely performance review, and employee complaints; all of these issues tie into cross-cultural adaptability and give a good indication as to the person's fit.</p>	<p>Cross-cultural issues are not made explicit because they can be extracted from the elements of the performance appraisal. The appraisal is done so meticulously because it is considered important for individual development. (5)</p>

Part 5 (b): Career Development (Repatriation)

Facilitator	Drivers
<p><u>Communication</u></p> <p><u>Frequency:</u> varies, monthly <u>Method:</u> e-mail, phone, faxes, courier, and actual visits <u>Initiator:</u> either party (5) “We keep in contact with our expats- there are homeleaves maybe twice a year, so they stay connected” (4)</p> <p><u>How does HR learn of expat’s career goals?</u></p> <p>Varies, expat tells HR what they see themselves doing, they have knowledge of key positions <u>Who’s in charge:</u> Team effort between employee and HR.</p> <p><u>How are repats likely to be placed post-return?</u></p> <p>-Performance appraisals -Succession planning (5) “Many do not repatriate, they look for the next assignment” (5) <u>Career Growth:</u> preferable to have a position of greater responsibility- interviewed to see what KSA’s gained.(5)</p> <p><u>How is family Reintegrated?</u></p> <p>-don’t have many repatriating -support is available -no post assignment interviews; “We have a good idea of the issues that have arisen along the way.” Also there are repatriation officers available on an informal basis and EAP programs in place to discuss personal matters (5)</p>	<p>We want to keep our employees satisfied, so we make sure to keep connected while they are away. However, many do not repatriate, they prefer to go on other assignments they seem to enjoy the autonomy, variety and compensation that is associated with international assignments. (5)</p>

Part 6: Expatriate Worldwide Activities and HR Planning

Facilitator	Drivers	Outcomes
<p>Issues managed locally vs. HQ L: expat admin (housing, school, work permits, payment)</p> <p>HQ: training, career planning...(1)</p> <p>HRP</p> <ul style="list-style-type: none"> Resources HCN Vs TCN Vs Expat issues considered <p>Succession planning (1)</p> <p>Not usually repeats-only when assignment demands it (1)</p>	<p>- Company culture, objective of assignment, cost and priorities are drivers of world wide expat activities</p> <p>- Objectives are set at the top level and then filter down to goals set for the country and then dissect to branch office down to the individual level (i.e. professional development). Therefore;</p> <ul style="list-style-type: none"> Business objectives To develop upper level managers with int'l skill set. Part of meeting overall business strategic objectives. Future employm. needs are systematical anticipated. <p>Also consider; Personal needs (family, schooling) and Succession planning (5)</p>	<p>Expatriate success in terms of performance, turnover and cost vs. benefit of sending this person abroad. Not only in terms of dollar figures, but whether it is practical, timely, efficient and well accepted by top management. (5)</p>

Part 7: Family issues/support

Facilitator	Potential barrier
<p>There is an informal network of expatriate families that get together.</p> <p>Support to family with children abroad?</p> <p>There are resources to do that (e.g. locals might volunteer advice, give support), but it is not coordinated by HR. (5)</p> <p>Also, some divisions have HR making sure the spouse and children are happy and well adjusted. (5)</p>	<p>No formal support is available;</p> <p>No program to help set up spouse- depends on location(5)</p>

Part 8: Domestic

Job Analysis	Recruitment	Selection	Training
<ul style="list-style-type: none">-positions evaluated by committee-statistical modeling to compare job to others <p>This helps determine skills needed, grade of the job, and complexity (2)</p>	<ul style="list-style-type: none">-recruiters are trained, orientation program available-use RJP-use internal recruitment-no evaluation of recruitment practices (3)	<p>Interview yes, unsure about other methods and if effectiveness evaluated (4)</p>	<p>Needs analysis is done, experiential methods and formally evaluated (5)</p>

HR Interview: Case #3

Interviewer: Corinne Abikhzer
Interviewee: Compensation Specialist
Interview Date: March 1998

Preamble:

Company Size: 62

Revenue: 1,999,938,000

Countries of operation: 4 (Taiwan, Ireland, Barbados, and Kuala Lumpur)

of employees in Ireland:
11 (1 Canadian expatriate)

Position of HR:

HR is a separate corporate function that reports directly to the president. HR is not at all involved with other management executives when business decisions are being made.

of HR Staff:

1 person available to manage the employees on international assignment.

Educational Qualification:

Mostly college degrees.

Part 1: Job Analysis, Job descriptions, Job Specifications

Facts:

- Job descriptions are developed
- Job descriptions are posted internally
- Job specifications include essential criteria (KSAs) and, key accountabilities

Facilitator
<p>How int'l assignment job descriptions created? A functional job analysis is used to produce the job description, the HR representative is responsible for producing this description. (10)</p> <p>How job specifications are decided? Considerations taken when developing job specifications include: duration of assignment, and political volatility of the host country. Guidelines used to decide on these are derived from formal documents published about the country of assignment(10)</p>

Part 2: Recruitment

Facts:

- **Qualifications of recruiters:** Recruiters are not trained.
- **RJP:** Realistic job previews are used with expatriates.
- **Evaluation:** Only internal recruits, so procedural justice is not an issue at this point.

Facilitator	Drivers	Potential barrier
How Recruitment is conducted? <u>Applicant pool:</u> 100% middle management <u>Sources of recruitment:</u> 100% internal (years of service may vary) (10) How RJP conducted? - RJP's are used to inform the candidates about the specifics of the assignment. (10)	An RJP is conducted so that expectations will be realistic and disappointment or shock can be minimized. (10)	Recruitment methods are not evaluated because there are not enough people going on assignment. It is really done on a needs basis.(10)

Part 3: Selection

Facilitators	Drivers
Interviews Selection interviews are done by line business managers. Unsure of the questions asked? They can also receive assistance from external sources for the interview if they require(10) Family issues Existence of a spouse is not considered as part of the selection criteria used in the selection of candidates. (10)	The role of the spouse is considered once the candidate is selected. The spouse is sent to workshops and information sessions to help with the transition. This will help the family adjust to the new environment faster. (10)

Part 4: Training

Facilitator	Driver	Potential barrier
<p><u>How are expats c/c trained?</u> Candidates are c/c trained by outside consultants; Unsure of what training methods are used, but it's tailored to individual needs, depending on duration and location of assignment. (11) <u>OJT</u> OJT is conducted in an informal manner between the expatriate and a mentor of his/her choice. Normally the spouse and kids are not included in this process. (11)</p>	<p>C/c trained in order to be able to adapt more easily into the environment they are going; usually the spouse and kids are included in the process. (11)</p>	<p>Training is not evaluated formally because they are not many going on assignment, s they can be individually tracked. For the OJT however, expats are expected to let HR know if it was useful for them. (11)</p>

Part 5(a): Career Development/Performance Appraisals

Facts:

- No cross/cultural dimensions are used on the international appraisal form.

Facilitator	Drivers	Potential barrier
<p><u>How are performance reviews conducted?</u> <u>Frequency:</u> Once a year <u>Analysis of performance:</u> cultural differences are considered informally <u>Rater:</u> home country Canadian supervisor. <u>Rater training:</u> None. (11)</p>	<p>Performance appraisals are a measure of expatriate success.</p>	<p>Exactly the same form is used for domestic and international, there are no cross-cultural dimensions made explicit. However there is a space reserved for comments where any c-c dimensions can be explained. (11) (11)</p>

Part 5 (b): Career Development (Repatriation)

Facilitator	Potential barrier
<p>How do expats keep in touch with HR? Frequency: Approximately 6 times/ year. Method: E-mail Initiator: either party initiates. (11) How does HR learn of expat's career goals? Expats have access to career postings. Goals are usually discussed prior to departure for the international assignment and reviewed prior to their return. Who's in charge: the human resource rep at HQ (11)</p>	<p>International job rotations are not used as part of an overall career development strategy. (11) How is family Reintegrated? There are no formal events of counseling available post return.(11) How are repats likely to be placed post-return? Expats are not necessarily promoted to a position of greater responsibility at the completion of their assignment. Also new assignments do not usually draw on KSA gained abroad. (11)</p>

Part 6: Expatriate Worldwide Activities and HR Planning

Potential barrier	Driver
There is no HR planning for international, people are recruited as business needs arise. (11) No career development strategy in place. (11)	Business objectives. (10)

Part 7: Family issues/support

Driver	Facilitator
Spouses are included in the training in order to help them adapt to a new culture quicker. (11)	<p>There is support in terms of workshops and information sessions. There is no facilitation for spousal job search (11) There is assistance provided for the children by an outsourced company, not HR. (11)</p>

Part 8: Domestic

Job Analysis	Recruitment	Selection	Training
Job analysis, job descriptions and job specifications are used in the domestic realm as well (10)	<p>-recruiters are not trained, no RJP is used, and practices are not evaluated -All positions available are posted internally. (10)</p>	Only behavior based interviews are used, no other tests are used for selection (11)	Needs analysis is conducted, experiential methods are used, and training is evaluated (11)

HR Interview: Case #4

Interviewer: Corinne Abikhzer

Interviewees: Senior specialist-International Services; Senior manager International/expatriate policies; International HR manager.

Interview date: April 1998

Preamble:

Background:

70,000 employees

Revenue is 15.5\$ U.S. They have operations in fourty countries.

Position of HR:

The senior V.P. of HR reports one level below the president/ CEO. The HR V.P. and the presidents of the business units are at the same level. So expatriate administration is a corporate head office HR role.

Countries of Operation:

They operate in 40 countries; U.K., France, Germany, China, Singapore, India, Mexico, Brazil, Canada, Middle east, Australia, Philippines, Hong Kong, Japan, U.S., Russia etc.

Number of People on Expat assignments:

650 people on long term assignments (i.e. less than 1 year)

400 on short-term (i.e. 2-3 years)

Leadership development program (6mnths-1yr) unknown how many people are on LDP at the moment.

There are 5 Canadian employees in Ireland at the moment.

Number of HR staff:

Approximately 24 people directly at HQ and numerous others in each location which spend a portion of time on expatriates.

Educational Qualifications of HR staff:

Mostly undergraduate degrees- some have graduate degrees.

Part 1: Job Analysis, Job descriptions, Job Specifications

Facts:

- Job descriptions are developed from job analyses (its done through a combination of functional job analysis and the position analysis computerized questionnaire.)
- There is a fist look for candidates through an internal network and then job descriptions are posted internally
- Job specifications include technical and other factors related to location of assignment

Facilitator

How int'l assignment job descriptions created?

The hiring manager in conjunction with HR is responsible for putting them together. (14)

How job specifications are decided?

-Standard: technical aspects of the job " There are different specifications depending on the job, not the country, therefore sending a person to China vs. Ireland requires the same skill; knowledge of finance. (14)

-Depending on unit: duration of assignment, political volatility of the host country and cultural novelty of the host country. (14;18)

On what basis are these determined?

Political volatility and cultural novelty are based on documentation per country that is provided through an external vendor and state department information.

Assignment duration is determined by business requirements in each location or, in the case of a developmental assignment or knowledge transfer assignment the special HR program office makes the decision. (14)

Part 2: Recruitment

Facts:

- **Qualifications of recruiters:** It's done by a different training group- do not know the content.
- **RJP:** Realistic job previews are not formally used (explanation below)
- **Evaluation:** Mostly internal recruits, so procedural justice is not an issue at this point.

Facilitator	Driver	Outcome
<p><u>How Recruitment is conducted?</u></p> <p><u>Applicant Pool:</u></p> <ul style="list-style-type: none"> -99% internal -1% external -5% top management, 60% middle, 35% lower (12;15;18) <p><u>Sources of Recruitment:</u></p> <ul style="list-style-type: none"> - yrs of service may vary - personal network - career planning (people eligible for promotion/ developmental moves) <p>job postings; experience, qualifications (15)</p> <p><u>How RJP conducted?</u></p> <ul style="list-style-type: none"> - There is a discussion about the content of the job, the location- but there isn't a written document explicitly stating the "good" and the "bad" (14) - Mostly there is discussion about a cost model, incentives they will receive, policy matrix, all the do's and don'ts, whether it's an emerging market vs. Hardship location ... (18) - They are also given awareness training at this point to know what to expect. (12) <p><u>How recruitment effectiveness evaluated?</u></p> <p>Through surveys to the incumbent after 3 months, 1 year and pre-return home (18)</p>	<p>Transfers are very costly.</p> <p>The person gets to go on a preview trip to the location and look at schools, housing (15)</p> <p>The factors affecting willingness to relocate are not explicitly told to the expat because they are obvious to the individual (15)</p> <p>-issues: spouse leaving career, teenage children, work hours, close family ties at home (15) also country climate, country situation and monetary issues (17) and length of assignment (12).</p>	<p>Effectiveness is determined by "success of the expatriate on assignment through employee performing job duties as evidenced by regular performance appraisals. However direct evaluation of recruitment effectiveness is not evaluated. (17)</p>

Part 3: Selection

Facts:

- HR is well informed of employment law issues for each country
- Data is kept on file regarding family status as well as recommendations the consultants give about the family risk factors.
- Individual managers conduct the interviews (PBDI/ unstructured/ open-ended questions)

Facilitator	Driver for RJP
<p><u>How int'l selection interviews conducted?</u> -PBDI -unstructured -open-ended questions -conducted by hiring managers. (15)</p> <p><u>Why/ why not: why doesn't HR get more involved?</u> HR is involved in certain aspects of selection; -pre-departure assessment hiring manager interviews from a business need fulfillment perspective.(15)</p> <p><u>How is family issue raised during the selection process?</u> Expatriates and their families are both assessed for risk factors, they are made aware of them and it is their choice to self-select (15)</p> <p><u>How int'l selection effectiveness is evaluated?</u> The external consultant compiles information on evaluation forms given to the employees and we also do internal surveys of the satisfaction levels of the expatriate populations (more service oriented) (16)</p> <p><u>Why not evaluated more objectively?</u> Once a year performance appraisals are conducted. (16)</p>	<p>-Cost considerations (15) - Possibility of dysfunctional family and potential problems abroad (15; 18)</p>

Part 4: Training

Facilitator	Driver
<p><u>How are expats c/c trained?</u> <u>Location</u>; HQ (13,16,19) <u>Content</u>; cultural, language (19) <u>Methods</u>; Role playing, behavior modeling, lecture, case exercises and group discussion (16) <u>Qualification of trainer</u>: outsourced (13,16,19)</p> <p><u>How is C/CT effectiveness evaluated?</u> There is a debriefing by the same consultants.</p> <p><u>OJT</u> <u>Method</u>: Mentor <u>Qualification of mentor</u>: Usually no training. It is usually conducted by a peer at the local subsidiary, but could be anyone the expat chooses.(13,19) OJT is conducted on a very informal manner, expats who choose to have one do. (13,16,18) This person is not usually available to the family-it's more on a business level. (19)</p> <p><u>How is OJT c/c training evaluated?</u> The expat completes an evaluation form after the session. The employee is surveyed at 3 points during their foreign assignment. New on assignment, on assignment (1-3 yrs), and after repatriation. At each point they are asked to rate the effectiveness and appropriateness of they training they have received. (16)</p>	<p>"It's a way of getting them to know what to expect so that they are not surprised. We hope to reduce or shorten the culture shock cycle so that they move through that process faster and be more effective quicker". (16)</p> <p>Also, hardship countries, because of different cultures, economy, wars, politics are harder to adapt to, so training is needed. (13) Determination of hardship country is based on information supplied by an external vendor and state department information. (14)</p>

Part 5(a): Career Development/Performance Appraisals

Facts:

- No cross/cultural dimensions are used on the international appraisal form.

Facilitator	Potential barrier
<p><u>How are performance reviews conducted?</u> <u>Frequency:</u> People get feedback every quarter (17) but formally once a year(13,17,19)</p> <p><u>Analysis of performance:</u> Language and cultural differences are considered (17)</p> <p><u>Why/why not are c/c issues explicit?</u> It is expected that language and cultural difficulties would affect job performance thereby affecting the appraisal rating. It would be a good idea however, to expressly recognize those factors where appropriate in rating performance.(17)</p> <p><u>Rater:</u> Host country supervisor (13,17,19)</p> <p><u>Rater training:</u> Training is offered internally, but its not mandatory, most people do not take the training. (17)</p>	<p>How do int'l appraisal forms differ from domestic?</p> <p>Still based on technical/work goals, no c/c dimensions. Same form as domestic. (13,17,19)</p>

Part 5 (b): Career Development (Repatriation)

Facilitator	Driver	Outcome
<p><u>How do expats keep in touch with HR?</u> Frequency: twice monthly (17); or once every quarter (19) “We advise them that networking with home base be continual. (19) Method: e-mail, phone. (13,17,20) Initiator: either party, usually the expat. (19)</p> <p><u>How does HR learn of expat’s career goals?</u> Expat has access to “career net”, an electronic internal job posting data base- expats let HR know of interest in positions. (17) “We treat expatriates as though they were still at home-so they communicate their career goals normally. (20) Who’s in charge: Team effort between employee, HR, and manager at HQ. (17)</p> <p><u>How are repats likely to be placed post-return?</u> In the case of a developmental assignment we have a good idea (17), but in other cases, It is unknown what position the expat will assume post-return. (13,17) They are guaranteed a position at least equivalent to the one they left. (20) “Nothing is ever a sure thing, there are people who because of downsizing we had to make redundant at the end of their assignment. Most return home but some seek other assignments as well, and some leave themselves because of difficulties readjusting or finding a suitable position at home. (17)</p> <p><u>How is family Reintegrated?</u> <i>“In recognition of the adjustment issues faced by the employee and his family at the conclusion of an assignment, we provide support and assistance for the employee and his family through an external supplier, the process is initiated 6-8 weeks prior to the end of the assignment with debriefing sessions.” (19) Debriefing involves discussions of difficulties associated with coming home (perceived loss of status, reverse culture shock etc..), and also discussion of assignment experience. They provide assistance with the link back into the organization. Most debriefing deals with employee/family issues and potential issues with repatriation. Guidance is also given to the receiving manager in the home location relative to the repatriated employee’s issues.(19) “Employees are also reintegrated within their group, but it’s more of a personal nature.” (13)</i></p>	<p>We want to make sure to keep high performing employees motivated through advancement opportunities, so performance is closely tied to advancement. (17)</p>	<p>Expatriate Performance</p>

Part 6: Expatriate Worldwide Activities and HR Planning

Facilitator	Driver	Potential Barrier
<p><u>Issues managed locally vs. HQ?</u> L: OJT HQ: Formal c/c training; career planning (17)</p> <p><u>International planning</u> <u>How?</u> -Career planning -Leadership development program (13,17,20)</p> <p><u>Reason for repeated use of expat?</u> Most people go for career development, once they achieve a skill they go back home or to another location. (12) But there are not usually any repeats- because it's expensive, we are targeting the strategic use of expats. (14) "Making sure we make effective use of all the local national population in every country- If there are people who want to move on a permanent local basis rather than on an expatriate basis we may want to do that instead."(14)</p>	<p>-Overall development/ training/ knowledge transfer -Increasing the international skill set of the firm.</p> <ul style="list-style-type: none"> - Fulfilling customer needs - Filling gaps in the local workforce (emerging markets)(17) <p><u>Reason for duration of international assignment?</u> -Business objectives -Career development -Close family ties at home; family issues -Country climate; situation.(17)</p>	<p>There is no evaluation of worldwide expatriate activities because it has not yet been developed. Now expatriate success is informally looked at. -Time constraints are a real barrier! (17)</p>

Part 7: Family issues/support

Facilitator	Driver	Outcome
<p><u>HR support for spouse abroad?</u></p> <ol style="list-style-type: none"> 1. There is support for the spouse, the facilitation is outsourced to a foreign service provider. (16) 2. It's done by HR at the foreign locale. (19) <p><u>Support to family with children abroad?</u></p> <p>HR is available to council the expatriate family on housing, schooling etc. Also expatriates are allowed pre-trips to help them get an idea for themselves. (12,16,18)</p>	<p>The goal is to have expatriate become more productive quicker after the international move. Family support then, alleviates the stress associated with issues in adjustment to the international location. (16)</p>	<p>Assignment Success</p>

Part 8: Domestic

Facts:

In setting up expatriate policy, it is ensured that it is consistent with domestic HR policies/ philosophies around the world.

Job Analysis	Recruitment	Selection	Training
<p>Unsure of domestic policies (12)</p>	<p>There is a huge recruitment policy for domestic as well.</p> <ul style="list-style-type: none"> -recruiters are trained, orientation program available -use RJP -use internal recruitment -no evaluation of recruitment practices (18) 	<p>Unsure of domestic selection techniques. (13,16,19)</p>	<p>Needs analysis is done, experiential methods and formally evaluated. (16)</p>

Appendix H: Mapping of “Best Practice” HR Areas to Questions Asked in the Questionnaire.

Note: Questions #1-8 were asked for general background information on their worldwide expatriate activities.

(JA)	10 a), b), 14
(JD)	9, 13, 14
(JS)	11, 12, 14
(REC)	17, 18, 19, 21
(REC-QR)	15, 21, 22
(REC-RJP)	16, 21
(REC-EVAL)	20, 21
(SEL)	23 a), b), c), 24 a), b), 25, 26 a), b), 30, 31, 32
(SEL-SI)	27 a), b)
(SEL-P&P)	28
(SEL-BD)	29
(TRA)	33 a), b), c), d), 39
(TRA-NA)	35 a)
(TRA-OJT)	36 a), b), c), 37
(TRA-FC/C)	34 a), b), 35 c)
(TRA-EVAL)	35 b), 38
(PA)	47
(PA-BOS)	42 a), b), c)
(PA-TOA)	43
(PA-COMP)	44
(PA-RQ)	46 a), b)
(PA-RL)	45
(CD)	48 a), b), 49 a), b), 50, 51 a), b), c)
(CD-IA)	53 a), b), 54, 58 a), b)
(CD-REP)	55, 56, 57
(HRP)	62
(HRP-FOR)	59 a), b)
(HRP-GOA)	59 a), b)
(HRP-COMM)	60, 61