

**GUIDELINES FOR THE PREPARATION OF EXPATRIATES ON
INTERNATIONAL ASSIGNMENTS IN SOUTH AFRICAN MULTINATIONAL
ENTERPRISES**

by

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Dedicated to:

J.J. VÖGEL

SUMMARY

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Over the years, a number of studies have identified the failure of expatriate – the early termination of an international assignment – as a major problem for multinational enterprises (MNE). MNEs in, for example the USA, have reported expatriate failure rates of as high as 40 percent for assignments to developed countries and 70 percent when assignments are in developing countries. These failures can cost the MNE three times the expatriates' annual salary plus the cost of the relocation. Even if an expatriate stays the full duration of an international assignment it has been determined that many, as much as 50 percent, operate at less than optimal levels of productivity. International studies have, however, shown that if expatriates are properly prepared, supported and trained, the success of their assignment can be ensured.

A South African study has, however, shown that South African MNEs are not providing the structured training programmes required by expatriates for an international assignment.

In order to determine the preparation, support and training needs of South African expatriates this formal study was undertaken, consisting of a literature study as well as an empirical study. At first a literature study was conducted in order to determine what was happening internationally with respect to expatriation and expatriate preparation, support and training as

well as to determine what the best practices are for expatriate preparation, support and training. The literature study was then followed by the empirical study, a link to a web site hosting the structured questionnaire was sent to expatriates working for South African MNEs currently on an international assignment.

The study has revealed that South African MNEs are not providing expatriates with the preparation, support and training they require for an international assignment, and has identified what preparation, support and training is required by South African expatriates. The study has also identified that the age of the expatriate; the duration of an international assignment; the location of the assignment and the management level of the expatriate do not influence the preparation, support and training needs of these expatriates.

Recommendations are made on how to prepare, support and train South African expatriates for an international assignment, which will not only be useful to South African MNEs but to South African universities presenting courses in international management and international human resource management as well.

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