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**REASONS FOR THE UNDERREPRESENTATION OF FEMALE EXPATRIATES IN
MULTINATIONAL ENTERPRISES**

By

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SUMMARY

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Abstract

Globalisation has led to an increase in the number and importance of expatriate assignments, however, high rates of expatriate failure are reported worldwide. In light of the importance of expatriate assignments in international business, it is interesting to note that multinational enterprises (MNEs) have shown a resistance to assigning females in expatriate positions. This underrepresentation of female expatriates forms the central theme of this research, with a literature review drawing partly on the work of Adler (1984), regarded as the principal author in female expatriate research.

This study analysed the reasons for the underrepresentation of female expatriates, with reference to South African MNEs. It focused specifically on elements of the willingness of female employees to accept international assignments; corporate resistance in female expatriate selection; foreign prejudice towards female expatriates; and career mobility after exposure to

international assignments. The study pursued a qualitative design, utilising in-depth case-study analysis of twelve South African MNEs drawn from six industries. Personal interviews were conducted with the expatriate managers of the twelve enterprises.

Some findings of this study confirmed those of existing literature, in that almost all expatriates assigned by South African MNEs are male; and that international experience is valued by South African MNE and can advance your career within the MNE. Some findings of this study, however, differed from the existing literature in that it was found that female employees were less interested in pursuing expatriate careers than their male counterparts; that there was almost no perceived foreign prejudice towards female employees; and that corporate resistance to female expatriate selection was not a reason for the small number of female expatriates in South African MNEs.

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ABBREVIATIONS

The following abbreviations have been made use of in the text:

• FDI	Foreign Direct Investment
• FMCGs	Fast Moving Consumer Goods
• HCN	Host Country National
• HRM	Human Resource Manager
• IHRM	International Human Resource Manager
• IMF	International Monetary Fund
• JSE	Johannesburg Stock Exchange
• KPMG	Klynveld Peat Marwick and Goerdeler
• MBA	Master of Business Administration
• MNE	Multinational Enterprise
• PCN	Parent Country National
• UAE	United Arab Emirates
• UNCTAD	United Nations Conference on Trade and Development
• US	United States
• WLB	Work-life Balance

CHAPTER 1

INTRODUCTION AND PROBLEM STATEMENT

1.1 INTRODUCTION AND PROBLEM STATEMENT

Today's world is, more than ever before, characterised by an integrated global economy and cross-border international corporate activity that has been driven by the process of globalisation and the ever-increasing power and global presence of multinational enterprises (MNEs) (Altman & Shortland, 2008:199; Guthrie, Ash & Stevens, 2003:229). These MNEs, which conduct business activities in two or more countries, are rapidly fuelling the process of globalisation, especially with regard to the rise of what Hill (2011:20) refers to as “mini-multinationals”, whereby small and medium-sized MNEs are increasing their involvement in the international trade and investment arena. One of the crucial issues relating to the increasing success and power of MNEs is their capacity to share and make effective use of information more efficiently and effectively within their global network of subsidiaries than enterprises that do not have a global presence, thus gaining a source of sustainable competitive advantage within the world economy (Simonin & Ozsomer, 2009:505; Tarique, Schuler & Gong, 2006:207).

International human resource management (IHRM) has become increasingly more important in recent years, owing to the dynamic nature of our global environment and the dispersion of human resources around the world by MNEs, and it is key to the successful execution of MNE strategy (Hill, 2011:605; Taylor, 2007:336). In order for multinationals to capitalise on this inherent advantage, it is imperative that they actively manage their international human resources. This concept of IHRM is concerned with “the human resource management (HRM) issues and problems arising from the internationalisation of business, and the HRM strategies, policies and practices which firms pursue in response to the internationalisation process” (McDonnell, Stanton & Burgess, 2011:10). The global staffing policies which MNEs choose to implement are also largely dependent on the IHRM approach taken by the multinational. Staffing policies within MNEs can take on one of four approaches. The first is an ethnocentric approach, whereby the multinational staffs all important management positions in its foreign subsidiaries with parent-country nationals (PNCs) (Hill, 2011:606; Shen, 2006:298). A second approach,

referred to as the polycentric approach, entails the MNE recruiting host-country nationals (HCNs) to manage its foreign operations, while PCNs remain at the enterprise's headquarters (Hill, 2011:607; Shen, 2006:298). Another staffing policy, regiocentric staffing, occurs when the MNE chooses to divide its operations into geographic regions and transfer staff within each region (Shen, 2006:298). Finally, the geocentric approach to global staffing involves a practice whereby the MNE selects only the best people to fill key positions throughout the enterprise without considering their nationality (Hill, 2011:608; Shen, 2006:298).

Considering the concepts that have been discussed above, namely the increased rate of globalisation, rise of MNEs and the strategic role that IHRM plays in helping multinationals achieve their goals, as well as the four global staffing policies that are instrumental in aiding MNEs to attain their objectives; it is important to realise that this rapid globalisation has led to an increase in the number of international assignments and, by extension, a significant increase in the number of expatriate assignments (Guthrie *et al.*, 2003:229; Hutchings, French & Hatcher, 2008:372; Tung, 2004:243; Varma, Toh & Budhwar, 2006:112). International assignments and expatriate assignments are closely linked, with Collings, Doherty, Luethy and Osborn (2011:361) defining an international assignment as “the transfer of employees internationally within a multinational enterprise”, or as the “transnational movement of employees by MNEs” (Berry & Bell, 2012:10). An expatriate assignment is, as with an international assignment, initiated by the MNE, which invites the employee to take part in an assignment outside the parent country, which usually has an open position in a foreign subsidiary (Meyskens, Von Glinow, Werther & Clarke, 2009:1441). In essence, an expatriate assignment is a form of international assignment, with traditional expatriate assignments typically lasting for a period of three to five years. This, however, is changing to include alternative forms of international assignments such as short-term assignments, as well as frequent flyer and commuter assignments (Meyskens *et al.*, 2009:1441)

An expatriate, as defined by Ball, Geringer, Minor and McNett (2010:575), refers to “an employee [who is] transferred from the home country to the host country, or a third country, on an assignment that typically lasts for an extended period of time, commonly two to four years”, or, as Ahlstrom and Burton (2010:367) define an expatriate, “a person from one country who is living and working in another country”. Of the four staffing policies that MNEs employ, three (the ethnocentric, regiocentric and geocentric approaches) make use of expatriates, thus clearly

illustrating the importance of effective IHRM with regard to expatriates. The use of expatriates is viewed as an attractive means of staffing the MNE's foreign subsidiaries, because the expatriate acts as a source of control by ensuring consistency between headquarters and the subsidiary as regards managerial practices, operational policy and strategy (Shay & Baack, 2004:218).

However, MNEs face great difficulties in effectively managing the expatriate while he or she is on assignment in the host country, with high failure rates among expatriates being reported, ranging from 10% to 80% depending on the assignment; more specifically, it has been reported that 16% to 40% of all United States (US) expatriates sent to developed nations fail, while some 70% of those sent to developing countries return home prematurely (Black, Mendenhall & Oddou, 1991:291; Hill, 2011:609; Swarts & Du Plessis, 2007:47; Tung, 1987:117; Vogel & Van Vuuren, 2008:80). Failure in terms of expatriate assignments may not necessarily refer only to the obvious premature return of the expatriate from his or her foreign assignment, but may also refer to those expatriates who choose to remain on assignment, but become ineffective in terms of their job performance, leading to great and costly losses for the multinational. Financial costs range between US\$40 000 and US\$1 million (Naumann, 2011:500; Vogel & Van Vuuren, 2008:80); other effects include damage to their local image in the marketplace, strained customer and supplier relationships, and lost market share in the host country (Van der Bank & Rothman, 2002:38; Vogel & Van Vuuren, 2008:80; Vogel, Van Vuuren & Millard, 2008:33).

In view of the growing importance of expatriate assignments in international business, and the alarming rate of failure and the high costs associated with such failure, not just to the enterprise, but the individuals themselves, it is imperative that multinationals select for such assignments the best possible candidates: those with the greatest chance of success. In the light of this, it is interesting to note that enterprises worldwide have shown a notable resistance to the use of female expatriates (Adler, 1984:67; 1993:3; Altman & Shortland, 2008:200; Hutchings *et al.*, 2008:373; Tung, 2004:224), with female managers being severely underrepresented. Thus enterprises worldwide, by limiting their group of potential expatriates, are severely restricting the pool of skills from which they could draw talented human resources. Since Adler's (1984:3) article relating to female expatriation in the early 1980s, where a meagre 3% of expatriates that were studied were female, it has taken three decades for the figure to grow to today's approximately 15% to 23%, which remains significantly lower than that of men (Guthrie *et al.*,

2003:230; Gruys, Steward & Patel, 2010:53; Shortland, 2011:272; Varma *et al.*, 2006:112). Lovelace and Chung (2010:748) similarly report that in a study of US expatriates, only 19% of expatriate assignments were filled by females in 2007, and this figure has not increased notably in recent years. South Africa is no exception to this global trend of the underrepresentation of females in international expatriate assignments. A study of 63 expatriates working for South African MNEs found that 56 were male and only seven female, clearly illustrating male dominance with regard to expatriate assignments (Mathur-Helm, 2002:20; Vogel, 2006:138).

Previous research and studies that are concerned with female expatriates have focused on the reasons why females were not selected for overseas assignments, as well as whether or not women were actually interested in taking part in expatriate assignments (Adler, 1984:73; Cole & McNulty, 2011:145; Tung, 2004:243). More recently, research has been approached from a gender-specific perspective with regard to the skill-set that women possess, which should actually make them more suited to international assignments than their male counterparts (Makela, Suutari & Mayerhofer, 2011:257).

Reasons proposed by Adler (1984:73) for the small number of females chosen to pursue international expatriate careers were based on three assumptions: first, that female managers were not interested in international assignments; secondly, corporate resistance to sending females abroad; and thirdly, foreign prejudice as a reason for not sending females abroad on assignment (Tung, 2004:243). It was discovered, however, that with regard to the first assumption, women in fact showed an interest equal to, if not greater than, that of their male counterparts (Adler, 1984:78; Tung, 2004:243). Corporate resistance to sending females abroad on extended assignments, especially in earlier years, was due mainly to a belief that females would experience resistance from their subordinates, clients, colleagues and supervisors, and that they would not adjust to the challenges of being an expatriate (Adler, 1984:75). This notion seems to be changing slightly, as the number of women sent on assignment has gradually increased, although still remaining far below that of their male counterparts (Tung, 2004:244). Thirdly, foreign prejudice towards female expatriates is a belief that has also proved flawed, especially since many foreign cultures do not view female expatriates in the same light as the local women and therefore they are not restricted by the same cultural principles and professional limitations as are the local women (Adler, 1984:75; 1993:5; Tung, 2004:245). In this context

women are generally viewed primarily as highly competent managers and only secondarily as women (Tung, 2004:245). It is interesting to note, in the light of these reasons, as well as those studies that have been conducted which look at expatriation in relation to gender diversity; that women are regarded as possessing certain skills, such as their relationship and communication skills and inherent social sensitivity, all of which are hugely beneficial for coping on a foreign assignment and performing optimally in culturally diverse environments (Cole & McNulty, 2011:147; Guthrie *et al*, 2003:233).

South Africa's growing importance within the world economy and international business forum, especially with regard to its market size and good growth potential, and the perception of it as the business hub that can be used to expand into the rest of the African continent (Khan, 2011:493; Toumi, 2011:138), has resulted in a significant number of South African MNEs emerging (World Economic Forum, 2014:13; Wocke & Klein, 2007:320). South Africa has been recently ranked 52nd out of 142 countries in terms of global competitiveness (World Economic Forum, 2014:13). This growing importance can be further seen by the fact that South Africa is viewed as a vital source of intra-African foreign direct investment (FDI) and the second most important investor in developing African countries after China; with US\$1.65 billion invested in other African countries in 2009 (African Economic Outlook, 2012; World Bank, 2012) and increasing to approximately US\$5.6 billion in 2013 (UNCTAD, 2014:39). Therefore, when one acknowledges South Africa's importance in the world economy, and the increase of South African MNEs, the use of expatriates by such MNEs will also increase.

Moreover, women, on a global basis, are taking on a greater role within international business. In a study referred to by Schein (2007:7), women held between 20% and 30% of senior official, legislative and managerial positions in nearly half of the 41 countries studied (Kroupova, 2009:34). Specifically within South Africa, with a renewed legislative focus on achieving equity within the workplace by employing more women (Mathur-Helm, 2002:19), it follows that female managers from South African enterprises will also be making their international presence felt. Why, then, if the importance of women in the workplace is growing, and South African enterprises are expanding into foreign markets, are South African female expatriates so rare (Mathur-Helm, 2002:20)?

Information regarding the number of South African MNEs that make use of female expatriates and that have actually sent women abroad on extended foreign assignments is limited, with South African statistics mirroring those of global expatriate assignments. According to Mathur-Helm (2002:20), in a study of 25 South African MNEs, while four did not respond, five reported that they did not send women on overseas assignments and that the only employees with international experience were men, and that moreover women did not hold high enough management positions to enable them to be considered for an international assignment. It was found that, of the 25 multinationals, only six had sent women on overseas assignments, with a total of only 25 female expatriates making up the study (Mathur-Helm, 2002:20).

This evidence of the underrepresentation of female expatriates by South African MNEs was again shown in another study whereby, of the 63 expatriates who were studied, 56 were male and only seven female (Vogel, 2006:138). These figures clearly show that there is an underrepresentation of female expatriates in South African MNEs. Although the study of female expatriates on a global level has increased in recent years, the overall lack of research into the use of female expatriates in the South African context by South African MNEs is noticeable. In a world where your human resources are the only sure-fire means to ensure a sustainable competitive advantage (Hatch & Dyer, 2004:1155; Wang, He & Mahoney, 2009:1266), the ability of a multinational to effectively harness the great power of its human resources is invaluable. Moreover, many South African-based multinationals come from a home environment where greater emphasis is placed on exploiting dwindling natural resources (Wocke & Klein, 2007:320). Thus MNEs cannot disadvantage themselves by selecting expatriates only from a narrow group of human resources and neglecting to consider women for international assignments (Adler, 1993:3; Cole & McNulty, 2011:147).

This study addresses the reasons given by IHR managers of South African MNEs for such an underrepresentation of female expatriates. It investigates whether expatriate assignments enhance the upward career mobility of females within the South African corporate environment. The academic value of such a study clearly adds to the limited body of information that specifically relates to South African female expatriates; while the practical value of such a study is great, especially when one considers the tremendous drive of the South African government to promote the advancement of women within the corporate sector. This is especially important because

although government, in theory, is promoting the appointment of women into top managerial positions and exposing them to career-enhancing opportunities such as extended foreign assignments, the drivers of globalisation, MNEs, do not seem to be promoting the use of female expatriates as avidly as is recommended. Thus, by identifying and analysing the reasons for such MNE behaviour, IHR managers may learn to adjust their current male-dominated approach to expatriate staffing, and draw from a much larger pool of talented human resources. This study therefore aims to address the primary research question: Why are female expatriates so underrepresented within South African MNEs?

1.2 LITERATURE REVIEW AND PROPOSITIONS

Adler, in her work entitled *Women do not want international careers, and other myths about international management* (1984), states that “one characteristic of expatriate managers is that they are all overwhelmingly male” (Adler, 1984:2). This statement, which proved true in the early 1980s, remains so today, with numerous authors affirming that women’s participation in international assignments is significantly lower than that of their male counterparts (Adler, 1984:2; 1993:3; Altman & Shortland, 2008:207; Haslberger, 2007:2; Munz & Ratajczak, 2007:34; Shortland, 2011:271).

In her 1984 study, Adler surveyed 686 US and Canadian MNEs, in the process identifying 13 388 expatriates. Of these expatriates, only a meagre 3% were women (Adler, 1984:2). It has taken decades for this number to rise steadily, with data drawn from Europe, Australasia and the US suggesting that women’s participation in international assignments is on the increase, with female expatriates being recorded at 14% in 2002 and 16.5% in 2005 (Altman & Shortland, 2008:207; Munz & Ratajczak, 2007:34). Thus, although there has been a slight increase in the number of female expatriates, these numbers are still significantly lower than the numbers of male expatriates. Shortland (2011:273) notes that even the oil, gas and minerals sector, traditionally a sector that is one of the greatest users of expatriates, and the industry which has seen the fastest growth in expatriation over recent years, sees a low participation of female expatriates, with 4% being recorded in 1990, increasing to only 7% by 2006.

Men are seen to be exposed to far greater opportunities with regard to international assignments and international careers than women (Adler, 1984:3; Haslberger, 2007:2). In Adler's 1984 study, 83% of all respondents, all of whom were MBA students, felt that men had a better chance of being selected for an international assignment than women, and 63% felt that men would have a better chance of being successfully promoted within the organisation if they had been exposed to international assignments. This was in comparison with the fewer than 3% of respondents who felt that women's chances of being selected or advanced were better than those of men (Adler, 1984:3). Selmer and Leung (2007:589) report that this perception that there is less success potential for female expatriates than male expatriates may also be a contributing factor towards the underrepresentation of female business expatriates. This false perception, together with informal selection mechanisms and procedures, is likely to perpetuate the difficulties faced by female expatriates (Hutchings *et al.*, 2008:373).

Through analysis of the aforementioned literature, it can be seen that numerous studies that have been conducted give credence and support to Adler's statement regarding the underrepresentation of female expatriates within multinational enterprises; however, due to the limited body of knowledge that exists regarding the number of female expatriates working for South African MNEs, this study tests whether or not that which has proved true for other countries is also applicable within the South African context. Therefore, the proposition guiding this portion of the study may be stated as:

Proposition 1: The majority of expatriates sent on international assignments by South African MNEs are male.

According to Adler (1993:16), one of the most widely held misconceptions regarding female expatriates is that women are believed to be less interested in pursuing foreign assignments than their male counterparts (Adler, 1984:8; Altman & Shortland, 2008:203; Shortland, 2011:273). The reasons given for such assumptions are (Adler, 1984:8; Shortland, 2011:273):

- Women are not interested in relocating.
- They do not want to move their families.
- Their spouses may be unable to get a job overseas.

- Women will turn down roles in expatriate assignments because they are traditionally male stereotyped roles.

In a study conducted by Munz and Ratajczak (2007:34), only 21% of the expatriates that were studied were women. This low representation of females was linked to the fact that, according to Munz and Ratajczak (2007:34), women applied for expatriate programmes to a lesser extent than men, in spite of the fact that more than three out of four women employees in the study had been asked by their respective employers to participate in an expatriate programme; whereas this was the case for only every second male. This is further illustrated by the fact that only 11% of the females studied actually applied for an expatriate position, as opposed to the 89% of male applicants. From this, Munz and Ratajczak (2007:34) postulated that women are less active than men in the initial steps of becoming an expatriate. Makela *et al.* (2011:261) state that “women are willing to expatriate”, but the influence of certain family factors inhibits the ability of most women to transform their willingness into an international job search when compared to men. This results in women expatriating less for work-related purposes than men do (Hutchings *et al.*, 2008:376).

Adler’s 1984 study focused specifically on male and female MBA students, all of whom were within six months of graduating; she investigated the issue of whether males and females were equally interested in pursuing international careers. Her findings suggested that there was no difference based on gender in their interest in pursuing international careers and assignments (Adler, 1984:3; Shortland, 2011:273).

This study investigates whether this belief, that women are indeed not interested in pursuing international assignments, holds true specifically within the South African context. Therefore the proposition may be stated as:

Proposition 2: Female employees are not as interested in undertaking expatriate assignments as their male counterparts.

Another reason that has been postulated for the underrepresentation of female expatriates is that the home country is resistant to sending women on foreign assignments, and therefore women are excluded through selection processes that are biased or informal (Adler, 1984:10; Shortland, 2011:273; Haslberger, 2007:2). Reasons for women often being excluded from participating in

foreign expatriate assignments are influenced by a degree of prejudice against them by managerial decision makers, with this bias or prejudice being exercised through informal selection methods.

Adler's 1984 study reported that 60% of managers working for MNEs in Europe were apprehensive about sending women expatriates to manage a foreign subsidiary due to resistance from supervisors, subordinates, colleagues and clients; this in spite of the fact that they themselves believed women would be successful overseas (Adler, 1984:10). Corporate resistance, as it relates to aspects of female expatriate underrepresentation, has been viewed by Hutchings *et al.* (2008:375) as arising from two sources: an unsupportive corporate attitude towards female expatriates in general, and male colleagues' perceptions of women expatriates. In this respect men believe that women are qualified for career development opportunities in domestic positions, but believe that they are incompetent for international positions and postings (Hutchings *et al.*, 2008:375). This view corresponds to Adler's statement that women are not sent abroad due to the belief by management that "females would find the 'international game' too difficult to master" (Adler, 1984:10). Therefore organisations may be willing to promote women locally and within their domestic management structures, but they are generally unwilling to expand their career horizons through access to expatriate assignments (Schearf, 2008:24).

In many cases women managers are required to have greater managerial experience in the home country before they are considered for an international assignment, as compared with male managers with less experience, showing that there is a greater perceived risk in sending females abroad on an assignment (Altman & Shortland, 2008:207). This aspect of a greater perceived risk in sending females abroad than males is compounded by the lack of placement of women into expatriate positions; hence female expatriates do not have a proven track record. Thus, the absence of a proven track record results in a heightened sense of fear or apprehension in sending females overseas on expatriate assignments (Schearf, 2008:25). This greater perceived risk, as well as corporate prejudice towards female expatriates, has led to the development of the so-called *glass border* (Altman & Shortland, 2008:200; Gedro, 2010:391; Schearf, 2008:25). The glass border is a term that denotes "the persistent underrepresentation of women in international assignments and the resulting lack of women in senior management positions" (Gedro,

2010:391; Schearf, 2008:20). The glass border that inhibits the use of female expatriates in foreign assignments is not dissimilar from the widely recognised *glass ceiling*, which refers to the barriers faced by women who aspire to attain senior positions within an organisation, as well as a higher salary (Schearf, 2008:20).

Therefore, the literature cited above gives credence and support to Adler's second reason for the underrepresentation of female expatriates, with informal selection mechanisms being reported, as well as the issue of women facing not only the presence of a glass ceiling, but also having to successfully negotiate a glass border if they are to be considered for international assignments. For the purpose of this study South African MNEs were examined in an attempt to ascertain if they exerted some degree of resistance in sending female expatriates abroad on assignments. The proposition for this portion of the study may be stated as follows:

Proposition 3: There is corporate resistance to selecting female employees for international assignments in South African MNEs.

A third reason given by Adler in her 1984 study of the underrepresentation of female expatriates was that many managers believed that women would be exposed to foreign prejudice while on assignment (Adler, 1984:10). This presumption of foreign prejudice stems from the assumption that in some cultures women do not have equal status with men, and therefore sending a female manager abroad on an extended assignment would offend the people of the host country and would lead to great difficulties on the part of the expatriate with regard to conducting business and socialising in the host country. In fact, according to Adler's 1984 study, this aspect of foreign prejudice was the most common explanation given by respondents (83.6%) for the lack of female international managers (Adler, 1984:10).

Despite this widely held belief of foreign prejudice, those female managers that are posted to international locations report that they do not experience any prejudice, even in countries which are believed to be openly hostile towards women. This may be due to the fact that (Adler, 1988:17; 1993:5; Hutchings *et al.*, 2008:374):

- Many cultures that in the past had male-dominated management have, in recent years, increased the number of female managers within their own countries, therefore making them more open and accepting to foreign female managers.

- Many cultures that are male-dominated still accept foreign female managers because they are regarded firstly as managers and only secondly as women, therefore earning the respect of male co-workers and supervisors.

With the ever-increasing globalisation of business, as well as the growth in cross-border expatriate assignments, the number of international assignment destinations is increasing, especially to countries which, in the past have been, and sometimes continue to be, viewed as male-dominated countries that are less open to the presence of foreign female expatriates. Expatriate assignments have greatly increased to destinations within many Arab Middle Eastern countries, including the United Arab Emirates (UAE), where Harrison and Michailova (2012:626) report that the expatriate community makes up over 80% of the population. In their study, Harrison and Michailova focused on the experiences of Western female expatriates within the UAE, and reported that despite widespread perceptions that the Muslim Arab society of the UAE would be inhospitable towards female expatriates, female expatriates were in general able to successfully complete their assignments and enjoy working in that cultural environment, especially as the number of Emirati women within the workforce and in management is increasing (Harrison & Michailova, 2012:640).

Numerous authors report that women are generally as successful as men on their foreign assignments, and that they are not disadvantaged with regard to their ability to adjust to the new culture of the host country, or indeed in their ability to cope with and succeed in their new corporate environment (Hutchings *et al.*, 2008:373). Some studies even suggest that women may be more suitable than men as candidates for international assignments, due to their greater visibility within the corporate environment as compared to men, their inherent ability to be more nurturing, thus allowing them to form closer relationships, and their ability to be more culturally adaptive than men (Cole & McNulty, 2011:147; Gruys *et al.*, 2010:510; Guthrie *et al.*, 2003:233; Hutchings *et al.*, 2008:373). Gruys *et al.* (2010:54) state that 97% of female expatriates that were studied reported their assignment to be successful, with a further 42% stating that being a woman actually proved advantageous in helping them conduct business and complete their assignment successfully.

Schearf (2008:29) reports numerous professional advantages experienced by female expatriates as a result of their gender. These include the fact that female expatriates may be more motivated

to perform well due to the difficulties they face in being selected for the assignment, as well as the belief that they may be perceived as an oddity within the host country and therefore highly visible (Cole & McNulty, 2011:147; Hutchings *et al.*, 2008:373).

The literature discussed above shows that, based on past studies, especially those focusing on Western female expatriates on assignments in culturally diverse nations, the most widely stated reason for not sending females on expatriate assignments (that the expatriate will be exposed to foreign prejudice and will therefore have difficulty in successfully completing her assignment) is a great misconception, and that in fact many female expatriates report experiencing certain advantages based solely on their gender. However, as this study specifically relates to the underrepresentation of female expatriates within the South African context, the analysis of whether or not female expatriates working for South African MNEs experience any form of foreign prejudice while on a foreign assignment was studied using the following proposition:

Proposition 4: Due to foreign prejudice South African MNEs are hesitant to send female employees on international assignments.

An interesting aspect relating to the minority of female expatriates is that the upward career mobility of a woman within MNEs is seen to be enhanced if she has been exposed to international assignments (Adler, 1984:13; Altman & Shortland, 2008:200; Shortland, 2011:272). Expatriate assignments, for both men and women, are regarded as being crucial if the person wishes to advance within the enterprise into a senior management position (Altman & Shortland, 2008:200). This notion is further illustrated by the fact that, in a recent survey conducted by KPMG (2011:8), 70% of all respondents felt that international assignments were seen as an important aspect of their enterprise's talent management and retention strategy.

The concept of the glass ceiling, as well as that of glass borders, as discussed in this chapter preceding the formulation of the third hypothesis, plays a significant role in retarding the upward mobility of female employees into expatriate positions, as well as into top managerial positions, within the corporate environment (Altman & Shortland, 2008:200). As stated by Gedro (2010:392), although some progress has been made with respect to women breaking through the glass ceiling, especially in developed countries, MNEs, by adding the requirement of international experience through expatriate assignments to managerial development, are in fact

adding another layer of glass to the still present managerial glass ceiling, and therefore women are still faced with greater difficulty in terms of advancing into upper management positions.

This study tests this notion that by being exposed to international expatriate assignments women would advance more rapidly within the MNE's hierarchical structure. Specific focus is placed on the study of South African MNEs. This aspect of female career mobility as it relates to expatriate assignments was tested using the following proposition:

Proposition 5: The upward career mobility of female employees within South African MNEs is enhanced by exposure to expatriate assignments.

1.3 RESEARCH DESIGN AND METHODOLOGY

According to Cooper and Schindler (2008:140), a research design represents the plan and structure that the investigation will follow in order to obtain answers to the proposed research question. Zikmund (2000:59) endorses this by referring to a research design as a “master plan” which specifies the methods and procedures for collecting and analysing needed information. This section explains the methodology that was followed in determining the reasons for the underrepresentation of female expatriates by South African MNEs.

1.3.1 Exploratory versus formal study

An exploratory study has a loose structure and is primarily concerned with discovering future research tasks and questions for future research (Cooper & Schindler, 2008:143; Zikmund, 2000:50). A formal study is different from an exploratory study, as a formal study begins where the exploratory study ends. A formal study begins with the hypotheses or research questions and involves precise procedures and data source specifications, with the goal of answering the hypotheses (Cooper & Schindler, 2008:143).

For the purpose of this study, a comprehensive review of existing literature was conducted, which investigated the topic of female expatriation and the challenges faced in terms of their underrepresentation in MNEs on a global level. Propositions were developed from the findings

of this literature study, which the study then tested. This study may therefore be classified as a formal study.

1.3.2 Purpose of the study

According to Cooper and Schindler (2008:144) the main purpose of a study may be classified as reporting, descriptive, causal-explanatory or causal-predictive. Reporting involves the summation of data to achieve a deeper, more comprehensive understanding of the issue under investigation, or to generate statistics for comparison. A descriptive study is concerned with investigating the *who, what, where, when* or *how much* aspects of the study (Cooper & Schindler, 2008:144), and involves describing the characteristics of a population or phenomenon (Zikmund, 2000:50). Causal-explanatory studies are concerned with finding out *why*, more specifically *how* one variable produces change in another, thereby explaining relationships among variables. Finally, a causal-predictive study is a study which attempts to predict an effect on one variable by manipulating another variable. This is done while holding all other variables constant (Cooper & Schindler, 2008:144).

This study may be classified as a descriptive study. It analyses whether the reasons that have been given by other MNEs throughout the world for the underrepresentation of female expatriates are true for South African MNEs.

1.3.3 Method of data collection

The data-collection method of a study may be conducted through a process of monitoring or through a communication study. Monitoring involves a process whereby the researcher inspects the activities of a subject or the nature of some material, without attempting to elicit a response from the subject. In contrast, a communication study requires the researcher to question the subjects and collect their responses by personal or impersonal means. Such means include interview or telephone conversation responses, or self-administered or self-reported instruments sent through the mail, left in convenient locations, transmitted electronically or by other such means. Communication studies may also be conducted through instruments presented before and/or after a treatment or stimulus condition in an experiment (Cooper & Schindler, 2008:143; Leedy & Ormrod, 2010:203).

For the purpose of this study, data was collected by means of a communication study, through the conducting of personal interviews.

1.3.4 Cross-sectional versus longitudinal study

The time dimension of a study may be cross-sectional or longitudinal in nature; a cross-sectional study refers to a study which is carried out once and which represents a snapshot of one point in time. In contrast, a longitudinal study is repeated over an extended period of time, thus allowing analysis of continuity and change over time (Cooper & Schindler, 2008:144, Zikmund, 2000:178).

This study may be classified as cross-sectional in nature, as it was only conducted once and depicts the current representation of female expatriates working for South African MNEs at the time of the study.

1.3.5 Statistical study versus case study

Studies may also be classified according to whether they are statistical or case studies. According to Cooper and Schindler (2008:144), a statistical study is designed for breadth as opposed to depth. This type of study attempts to capture a population's characteristics by drawing inferences from a sample's characteristics. Hypotheses are tested quantitatively in statistical studies, and generalisations about findings are presented based on the representativeness of the sample and the validity of the research design. Case studies, in comparison, place more emphasis on the full contextual analysis of events or conditions, which are fewer in number than those analysed in statistical studies, and their interrelatedness (Cooper & Schindler, 2008:114). Eisenhardt (1989:534) describes case studies as research strategies which focus on understanding the dynamics present within single settings; they can involve either single or multiple cases, and numerous levels of analysis. Case studies generally make use of a variety of data-collection methods such as archives, interviews, questionnaires and observations, which can be used to accomplish various aims, such as providing description and testing theory, as well as generating theory (Eisenhardt, 1989:535).

This study was based on a case-study approach as opposed to a statistical approach, as the information gleaned from a number of personal interviews enabled the researcher to perform a

full contextual analysis regarding the underrepresentation of female expatriate managers by South African MNEs.

1.4 CHAPTER OUTLINE

This study consists of several chapters. The content of these chapters will be briefly discussed below:

- **Chapter 1: Introduction and problem statement**

Chapter 1 provides a brief introduction to the subject of expatriates in MNEs and states the problem of the underrepresentation of female expatriates by MNEs. It also provides a brief explanation of the research methodology that was used in the study, which will be discussed in greater detail in Chapter 4.

- **Chapter 2: International Human Resource Management**

Chapter 2 highlights the general concepts relating to the field of international human resource management, as well as expatriation.

- **Chapter 3: Female expatriates**

Chapter 3 provides a thorough analysis of the use and role of female expatriates by MNEs, and an investigation into the reasons for the underrepresentation of female expatriates, problems faced by them and the benefits of sending female expatriates on international assignments.

- **Chapter 4: Research methodology**

Chapter 4 discusses the methodology used in the collection and analysis of data for this study.

- **Chapter 5: Analysis and interpretation of findings**

Chapter 5 provides a thorough analysis and interpretation of the research findings.

- **Chapter 6: Recommendations and conclusion**

Chapter 6 presents a discussion of the research findings, followed by the conclusions which can be drawn from these findings. This chapter concludes with recommendations to South African MNEs based on the research findings.

CHAPTER 2

INTERNATIONAL HUMAN RESOURCE MANAGEMENT

2.1 INTRODUCTION

An enterprise's ability to make effective use of its human resources is a vital element in the enterprise's attaining a sustainable competitive advantage (Hatch & Dyer, 2004:1155; Wang *et al.*, 2009:1266). Handler and Lane (2011:67) explain that the linkage between an enterprise's global strategy and its international human resource practices should be born out of the realisation that the power to become a truly global enterprise rests with the enterprise's human resource management capabilities. These human resources (HR) refer to all the members within the enterprise, ranging from top management to entry-level employees (Verbeke, 2009:4). Managers are responsible for acquiring and developing these resources so that they can help the enterprise to attain its strategic goals and objectives. The concept of human resource management (HRM) is broadly defined as the set of activities that are carried out by managers and directed at attracting, developing and maintaining the effective workforce necessary to achieve an enterprise's objectives (Griffin & Pustay, 2005:629). Such activities include recruiting and selecting both management and non-management personnel, providing training and development, conducting performance appraisals, and providing compensation and benefits packages (Ball *et al.*, 2010:568; Gooderham & Nordhaug, 2003:88; Griffin & Pustay, 2005:629).

Employing quality managers and personnel is challenging under any circumstances, but can prove substantially more difficult for MNEs, who are faced with staffing their global subsidiaries in numerous locations throughout the world (Ball *et al.*, 2010:568; Griffin & Pustay, 2005:576). This is considered more challenging because the human resources required to staff these subsidiaries require more and different skills than their counterparts who occupy purely domestic positions. They should possess multicultural competence, which refers to one's ability to work successfully across cultures, and includes elements of curiosity, awareness of diversity, and the acceptance of complexity within a culture (Steers, Sanches-Runde & Nardon, 2010:37). This concept of multicultural competence may be linked to what Ball *et al.* (2010:568) refer to as a "global mind-set" which combines an openness to, as well as an awareness of the diversity that

exists across markets and cultures, with the ability to integrate across this diversity. Also, they should have an in-depth knowledge of the home country's business operations, as well as a highly developed awareness of the host country's business policies and cultural practices. It is also considered vital that one understands, and makes an effort to learn, the language of the host country (Ball *et al.*, 2010:568).

The field of international human resource management (IHRM) has numerous components and can be broadly defined as those activities involved in understanding, researching, applying and revising all the human resource activities in their internal and external contexts as they impact on the process of managing human resources in enterprises throughout the global environment to enhance the experience of multiple stakeholders, such as investors, customers, employees, partners and suppliers, as well as the environment and society as a whole (Briscoe & Schuler, 2004:20). IHRM is explained further by McDonnell *et al.* (2011:10) as the human resource management issues and problems arising from the internationalisation of business, and the HRM strategies, policies and practices which firms pursue in response to the internationalisation process.

2.2 STRATEGIC IMPORTANCE OF IHRM

The importance of an enterprise's human resources cannot be overstated, as one of the keys to successfully competing in the global market is the effective deployment of human resources to achieve a competitive advantage (Griffin & Pustay, 2005:577; Handler & Lane, 2011: 67; Hatch & Dyer, 2004:1155; McWilliams, Van Fleet & Wright, 2001; Wang *et al.*, 2009:1266). Buller and McEvoy (1999:331) elaborate on this sentiment by explaining that MNEs may enhance their global competitiveness by integrating their HRM activities with their strategic goals. Managers must therefore design an HRM strategy that promotes the enterprise's overall goals and objectives, and is in line with their corporate, as well as their business, strategies (Griffin & Pustay, 2005:577).

An enterprise's internal resources are responsible for competitive advantage and are considered to be the most likely source of sustainable competitive advantage (Carpenter & Sanders, 2009:103; Gannon, Doherty & Roper, 2012: 581; McWilliams *et al.*, 2001). This resource-based

view of an enterprise describes the theory that for a resource to be considered as a source of sustainable competitive advantage it must be valuable (V), rare (R), inimitable (I), non-substitutable (N) and finally, exploitable (E). This is commonly referred to as the VRINE model, which is an analytical framework suggesting that an enterprise with resources and capabilities which are valuable, rare, inimitable, non-substitutable and exploitable will gain a competitive advantage (Buller & McEvoy, 1999:331; Carpenter & Sanders, 2009:103).

2.2.1 Human resources as valuable

According to the resource-based view of an enterprise, a resource must first meet this criterion of being valuable in order to provide a source of sustainable competitive advantage. A resource is considered valuable if it enables an enterprise to take advantage of opportunities or to fend off threats in its environment (Carpenter & Sanders, 2009:104). The ways in which human resources can add value to an enterprise are examined by Hashimoto's (1981: 475-482) Firm Specific Human Capital theory. According to this theory, when labour demand is heterogeneous (meaning that different enterprises perform diverse jobs, in which a variety of skills are required) and labour supply is also heterogeneous (meaning that people have different types and levels of skills), then under these conditions human resources can create value for an enterprise. These conditions are especially applicable to MNEs, because demand for labour differs (is heterogeneous) across countries due to dissimilar labour practices, capital availability and social and cultural attitudes relating to work. Labour supply is also heterogeneous across different nations due to different levels of education, as well as varying levels of health care, sanitation and basic living conditions. Therefore, MNEs have a far greater opportunity to draw value from their human resources than purely domestic enterprises, as they compete in a global marketplace (McWilliams *et al.*, 2001).

2.2.2 Human resources as rare

For a resource to be considered as a source of sustainable competitive advantage for an enterprise it should also be rare. Rarity refers to the fact that the resource, in this case the enterprise's human capital, should be scarce relative to demand (Carpenter & Sanders, 2009:105). As this criterion applies to human resources, it relates more specifically to the rarity of the skill-set possessed by individuals, with a relatively small proportion of individuals in any

human resource pool having high skill levels (McWilliams *et al.*, 2001). Therefore, this criterion of rarity allows MNEs to draw highly skilled human resources from numerous labour pools across a variety of nations and therefore increase their potential for developing a sustainable competitive advantage based on their acquisition of skilled labour (Elliott, 2003:48; McWilliams *et al.* 2001; Hashimoto, 1981: 475-482).

2.2.3 Human resources as inimitable

A resource is considered difficult to imitate if competitors cannot acquire the valuable and rare resource quickly or if they will face a considerable cost disadvantage in doing so (Carpenter & Sanders, 2009:105; Elliott, 2003:49). It is argued that resources will be difficult to imitate in the presence of causal ambiguity and social complexity (McWilliams *et al.*, 2001; Reed & Defillippi, 1990:88). Causal ambiguity refers to the uncertainty that exists when the link between an enterprise's resources and competitive advantage is not fully understood, especially by the competition. This is applied to an enterprise's human resources in the sense that if competitors cannot identify the manner in which the MNE's human resources create their competitive advantage, then it cannot be imitated by the competition. This is especially prevalent in team dynamics within the multinational, and the manner in which employees work together to achieve a sustainable competitive advantage (McWilliams *et al.*, 2001; Reed & Defillippi, 1990:89).

McWilliams *et al.* (2001) state that social complexity may arise due to transaction-specific relationships, and the competitive advantage created by such relationships may be due to transaction-specific human capital, such as the detailed knowledge possessed by the employee involved in the transaction. The human capital involved in the transactions will create and develop a relationship with industry members that is built on trust and knowledge, and which holds value for all parties and thus may create a sustainable competitive advantage for the enterprise (McWilliams *et al.*, 2001). It is also important to note that since MNEs operate across a variety of highly complex and different cultural environments, which may in some instances prevent the establishment of beneficial relationships, if their human capital can foster sound business relationships in environments with great social complexity, then this makes it very difficult for competing enterprises to penetrate the social complexity and undercut their competitive advantage (McWilliams *et al.*, 2001). Therefore, this element of inimitability is highly important, since firm-specific, intangible sources of advantage, such as the culture of the

MNE and its relationship with international markets, can be particularly important for attaining a sustainable competitive advantage, precisely because they are extremely difficult for competitors to imitate (Buller & McEvoy, 1999:329).

2.2.4 Human resources as non-substitutable

A resource is considered to be non-substitutable if a competitor cannot achieve the same benefit using different combinations of resources and capabilities (Carpenter & Sanders, 2009:105). The criterion of non-substitutability as it applies to an enterprise's human resources relates to the question of other resources, such as technology, having the potential to disrupt the competitive advantage of the multinational. Good substitutes for human resources are considered unlikely, since a firm's human capital is one of the few resources which can be applied to a variety of products, markets and technologies without becoming obsolete (Elliott, 2003:50; McWilliams *et al.*, 2001). Other resources, such as technology, may be able to substitute for the use of human resources in the short term, but it is considered unlikely that these would eliminate the advantage of human resources entirely. This is because the resource offsetting the advantage of human capital is not, in itself, rare, inimitable and non-substitutable; therefore it will be imitated, while human resources will constitute a competitive advantage for the MNE (McWilliams *et al.*, 2001).

2.2.5 Human resources as exploitable

Exploitability refers to the enterprise's ability to get the value out of any resource that it may generate (Cooper & Sanders, 2009:107). This applies to the human resources in an enterprise, since the MNE makes use of its personnel in business activities and therefore is able to exploit, and draw value, from their knowledge and skills in order to make sound business decisions and to expand its operations. MNEs, operating in a number of locations worldwide, have the added advantage of being able to develop superior human capital pools because they can draw from a number of diverse labour pools. These, in essence, give MNEs a greater pool of resources from which to exploit value; however, the enterprise must, in turn, utilise and implement the appropriate practices to manage such diverse labour pools (McWilliams *et al.*, 2001:12).

Therefore, an analysis of the VRINE model and its application to the strategic importance of IHRM shows that human resource practices contribute to the competitiveness of the MNE only if these human resources provide value, are rare, difficult to imitate, and the enterprise has the

systems in place to draw from the potential of its human resources, especially if these HR systems are synergised across the multiple units and subsidiaries of the MNE (Buller & McEvoy, 1999:332).

An enterprise must create a system of HR practices that are customised to suit that enterprise's competitive strategies, as well as its internal practices and policies, as this will allow advantages to be found in the rare, inimitable and non-substitutable resources which the MNE already controls. Therefore the focus of IHRM should be to recognise, develop and exploit the resources within the enterprise through the application of HR systems that develop their human capital pool and bring forth behaviour that is supportive of the enterprise's competitive strategy (Elliott, 2003:51).

2.3 INTERNATIONAL STRATEGIES

2.3.1 Generic roles of MNEs

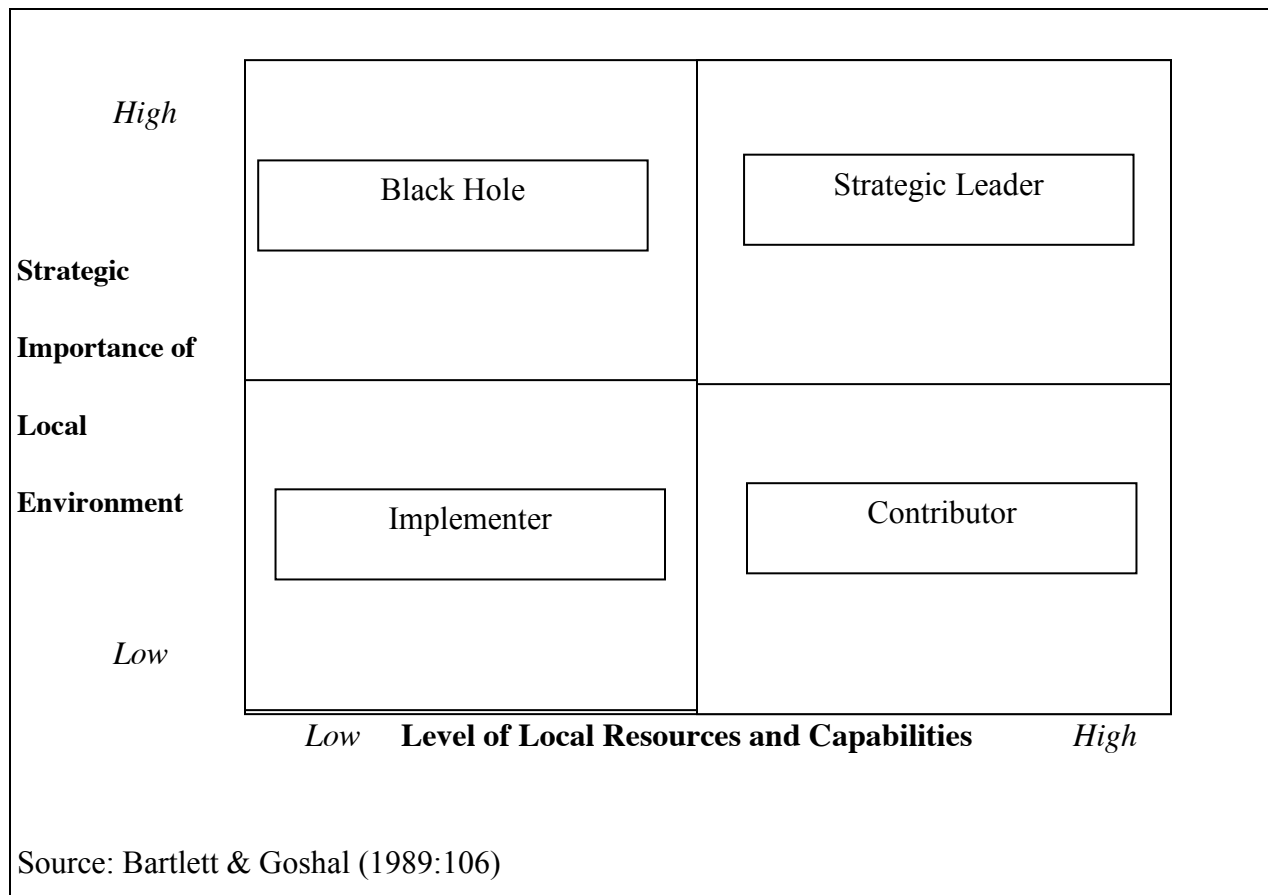
Multinational enterprises make use of four basic strategies to conduct business in the international business environment. These strategies were first analysed by Bartlett and Goshal (1989:106); they are the implementer strategy, contributor strategy, black hole strategy and the strategic leader. The suitability of each strategic position, as illustrated by Figure 2.1, is dependent on two factors: firstly the level of local resources and capabilities (that is, the ability and competence of the subsidiary within the local market to pursue the objectives set by the MNE headquarters) and secondly the strategic importance of the local environment (that is, the level of significance which that specific market holds for the overall tactical consideration of the MNE) (Bartlett & Goshal, 1989:105). These four generic strategies of MNEs, as identified by Bartlett and Goshal (1989:105), will be discussed briefly:

- **Implementer:** This positioning is characterised by a low level of MNE competence, identified by few resources and capabilities, as well as a low level of local environmental strategic importance (a non-strategic market). The enterprises' resource commitments reflect the market's limited potential. These subsidiaries do not contribute much to the strategic knowledge of the MNE, as they are essentially implementers and deliverers of the MNE's

value add. Implementers also make it possible to capture economies of scale and scope, which are critical to most global strategies.

- **Contributor:** the contributor positioning is characterised by a high level of local resources and capabilities, and a low level of local environment strategic importance. Essentially this involves enterprises' attempting to capture the benefits of certain location facilities and apply those to broader worldwide operations.

Figure 2.1: Generic roles of national organisations



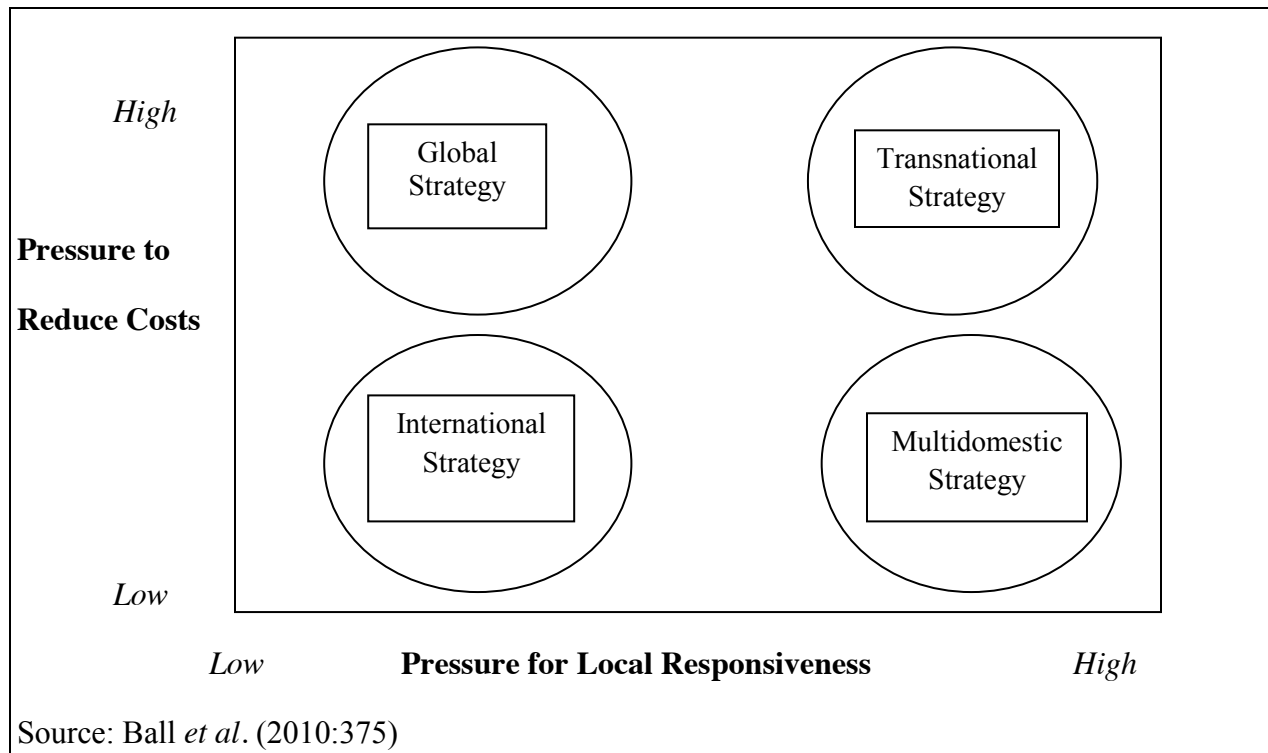
- **Black Hole:** This position results when a multinational has low levels of local resources and capabilities, but the strategic importance of the local environment is high. This is not an optimal position for the enterprise, because the enterprise should be playing the role of the strategic leader but lacks the competence to do so. Remedies for this positioning are expensive and difficult to accomplish, due to the costs and length of time required to establish a significant local presence in a sophisticated and competitive market.

- **Strategic Leader:** enterprises with strategic leader positioning are characterised by high levels of internal competence, identified through high levels of local resources and capabilities, as well as a high level of strategic importance of the local environment. These enterprises are legitimate partners with MNE headquarters in the development and implementation of enterprise-wide strategies, as well as being responsible for detecting early-warning signals within the market, analysing resultant threats and opportunities, and developing appropriate strategic responses.

2.3.2 International strategies pursued by MNEs today

The typology proposed by Bartlett and Goshal (1989:105) has formed the basis of the international strategies which MNEs pursue today. The four generic positions, the implementer, contributor, black hole and strategic leader, have been modified slightly over the years, and today the commonly pursued international strategies are referred to as the international strategy, multidomestic strategy, global and transnational strategies (Ball *et al.*, 2010:375; Harzing, 2000:107). However, although four strategies still remain, the suitability of each strategy, as illustrated by Figure 2.2, is dependent on two different factors. These factors are the pressure for cost reduction, and the pressure for local responsiveness faced by the MNE (Ball *et al.*, 2010:375; Harzing, 2000:107). Harzing (2000:108) defines pressure for local responsiveness as the extent to which a MNE's subsidiary responds to the local differences in customer preferences. The second factor, that of the pressure for cost reduction, is largely dependent on the pressure for local responsiveness faced by the enterprise and the international strategy pursued, with higher levels of cost efficiency being achieved when enterprises strive for economies of scale in production (Harzing, 2000:109).

Figure 2.2: Four international strategies



2.3.2.1 International strategy

This strategy, also known as the home replication strategy, involves the MNE's utilising its core competency that was developed at home as its main competitive weapon in the foreign markets that it enters (Ball *et al.*, 2010:376; Griffin & Pustay, 2005: 314). MNEs pursuing this strategy typically centralise product development in the home country. Once differentiated products have been developed in the home market, these products are transferred to foreign markets in order to capture additional value. The degree to which the products and the enterprise's marketing strategy are customised tends to be limited, with tight control over the marketing and product strategies being maintained by headquarters. Local subsidiaries' primary role is to leverage home-country capabilities (Ball *et al.*, 2010:376; Griffin & Pustay, 2005: 314).

This strategy is appropriate if the MNE faces weak pressure for local responsiveness as well as weak pressure to reduce costs. Disadvantages of this strategy include the fact that this strategy is not appropriate if the MNE faces strong pressures for local responsiveness, as the product

offering is not customised to the tastes and preferences of the local market. A second disadvantage of this strategy is that enterprises may face high operating costs due to the duplication of manufacturing facilities across the various foreign markets (Ball *et al.*, 2010:376; Griffin & Pustay, 2005: 314).

2.3.2.2 Multidomestic strategy

This strategy is also referred to as the localisation strategy, and is generally pursued when there is strong pressure for the enterprise to adapt its products or services for the local markets (Ball *et al.*, 2010:376; Harzing, 2000:107). This strategy is characterised by decentralised decision making in order to allow the MNE to modify its products and to respond rapidly to changes in local competition and demand. Subsidiaries are expected to develop and exploit local market opportunities, and therefore local knowledge and competencies are expected to be developed at the subsidiary level. MNEs pursuing a multidomestic strategy generally have a high local production and research content, in order to ensure they are responsive to changes in local preferences (Harzing, 2000:108). Therefore, due to the fact that products and services are customised to local preferences, this enables the enterprise to charge higher prices (Griffin & Pustay, 2005:314; Tarique *et al.*, 2007:212). This international strategy is also characterised by low levels of dependency between the subsidiaries and headquarters, because subsidiaries are tied to the local environment to ensure high levels of local adaptation (Harzing, 2000:108).

One must note, however, that in order for the MNE to ensure local adaptation of products and services, the enterprise will have to invest heavily in additional knowledge and capabilities in terms of local culture, language, target market demographics and HR practices, as well as becoming acquainted with the government regulations of the host country. Also, adapting a product or service too much to suit the local tastes and preferences may take away the distinctiveness of the enterprise's offering (Ball *et al.*, 2010:376; Griffin & Pustay, 2005:314; Paik & Ando, 2011:3004; Tarique *et al.*, 2007:212).

2.3.2.3 Global strategy

This strategy is used when the MNE is faced with strong pressure to reduce costs, and limited pressure to adapt the product offering to the tastes of the local market. In this strategy, the enterprise typically views the world as a single marketplace and has the primary objective of

creating a standardised product or service that will meet the needs of its customers worldwide (Ball *et al.*, 2010:37, Harzing, 2000:108). MNEs attempt to capture economies of scale in production and marketing, which is achieved by locating their production activities in a handful of highly efficient facilities and then creating global advertising and marketing campaigns to sell those goods. The level of interdependence between individual subsidiaries and headquarters is greater than the level of interdependence between subsidiaries (Harzing, 2000:108). This strategy is characterised by close coordination and integration of activities across markets and a strong emphasis on the development of efficient and effective distribution and logistics networks and capabilities (Griffin & Pustay, 2000:315; Paik & Ando, 2011:3004; Tarique *et al.*, 2007:212)

A significant challenge faced by enterprises pursuing a global strategy is their limited ability to respond rapidly to changes in customer needs across national and regional markets, as well as their having to deal with issues relating to increases in transportation and tariff costs incurred when exporting products from centralised facilities. There is also the risk that the MNE will locate its activities in a centralised location, which may put the enterprise at risk from political changes, trade conflicts and exchange rate fluctuations (Ball *et al.*, 2010:377; Griffin & Pustay, 2005:315).

2.3.2.4 Transnational strategy

This fourth strategy combines the benefit of global scale efficiencies, such as those experienced by enterprises pursuing the global strategy, with the advantages of local responsiveness pursued by multidomestic enterprises. Thus this strategy is characterised by high pressure for cost reduction as well as high pressure for local responsiveness (Ball *et al.*, 2010:378; Griffin & Pustay, 2005:315). An MNE pursuing this internationalisation strategy functions as an integrated and interdependent network, whereby subsidiaries of transnationals can have strategic roles and act as centres of excellence, and there is a large flow of products, people and information between subsidiaries (Harzing, 2000:108). In order to pursue this strategy effectively, MNEs do not automatically centralise or decentralise decision making and authority, but instead authority is assigned to the unit of the enterprise best able to achieve the dual goals of efficiency and flexibility. Certain management functions such as research and development and financial operations, typically upstream value-chain activities, may be centralised at corporate headquarters; while other management functions such as marketing and human resource

management, which are classified as typically downstream value-chain activities, may be decentralised in order to allow management of local subsidiaries to better respond to the local business environment and culture (Ball *et al.*, 2010: 378; Griffin & Pustay, 2005: 315; Paik & Ando, 2011:3004). This is explained further by Harzing (2000:109), who states that a transnational strategy is characterised by an integrated and interdependent network of different but equal subunits, in which headquarters does not play a dominant role. This is because strategic functions such as production may be assumed by specialised subsidiaries, and hence the level of interdependence between different subsidiaries may be higher than that between individual subsidiaries and headquarters (Harzing, 2000:109).

2.4 SOURCES OF INTERNATIONAL MANAGERS

MNEs may obtain personnel from three sources when staffing positions within their global enterprise. These include parent-country nationals (PCNs), host-country nationals (HCNs), and third-country nationals (TCNs) (Ball *et al.*, 2010:569; Briscoe & Schuler, 2004:253; Griffin & Pustay, 2005:581).

2.4.1 Parent-country nationals

A parent-country national refers to an employee who is a citizen of the nation in which the parent company's headquarters are located (Ball *et al.*, 2010:569). At first these employees, who are generally referred to as expatriates, lack the knowledge and expertise relative to the culture and business practices of the host country where the MNE's subsidiary is located. Therefore it is considered necessary that these PCNs adapt to the culture and learn the language of the host country in order for them to be better accepted in the host country and to adapt faster (Ball *et al.*, 2010:569; Griffin & Pustay, 2005:581). A major advantage of using parent-country nationals to staff foreign subsidiaries is considered to be the fact that it ensures that headquarters' policies and procedures are followed by the subsidiary, and this ultimately facilitates communication and coordination between corporate headquarters and the subsidiary. Parent-country nationals may also be referred to as 'home-country nationals'.

2.4.2 Host-country nationals

These are employees who are citizens of the nation in which the subsidiary is operating, which is different from the parent company's home nation, and are generally used by MNEs to fill middle-level and lower-level positions, although HCNs do appear in top managerial positions (Ball *et al.*, 2010:569; Griffin & Pustay, 2005:580). Unlike PCNs, who are unfamiliar with the culture and practices of the host country, HCNs have an in-depth knowledge and comprehensive understanding of the cultural nuances and accepted business practices in the country; although considerable training costs may be necessary in order to familiarise the HCN with the policies and procedures of headquarters (Ball *et al.*, 2010:571; Briscoe & Schuler, 2004:253).

2.4.3 Third country nationals

A third-country national (TCN) refers to an employee who is a citizen of neither the parent country nation nor the host country (Ball *et al.*, 2010:569, Griffin & Pustay, 2005:581). TCNs are most likely to be used to fill upper-level or technical positions within the MNE, and are used particularly in areas where there is either a shortage of the necessary type of workers; or where there is relatively free movement of people between countries, such as in the European Union (EU) (Briscoe & Schuler, 2004:254). The disadvantages encountered when using employees from the home or host country can sometimes be avoided by sending TCNs to fill management posts, as it is generally accepted that after an executive has adapted once to a new culture and different language, then a second or succeeding adaptation is easier (Ball *et al.*, 2010:571). This can be linked to the fact that, in the past, TCNs were likely to be used when they had special expertise which was not available to the MNE through any other channel; whereas today TCNs are consciously being employed by some enterprises to promote a global outlook throughout their operations. This is because some MNEs believe that those managers bring broader perspectives and experiences to their host-country operations; and some enterprises are going as far as to recruit more TCNs to serve as members on their boards of directors, in an attempt to bring a more global orientation to the boards (Griffin & Pustay, 2004:581).

2.5 INTERNATIONAL STAFFING POLICIES

Multinational enterprises may utilise four different staffing policies (Ball *et al.*, 2010:569; Briscoe & Schuler, 2004:55; Gooderham & Nordhaug, 2003:298; Griffin & Pustay, 2005:581) in order to select and place individuals within the enterprise. Although these policies differ greatly from one another, it must be noted that a single MNE may utilise a number of these staffing policies in different subsidiaries worldwide (Gooderham & Nordhaug, 2003:298; Isidor, 2011:2168). The four staffing policies are ethnocentric, polycentric, regiocentric and geocentric staffing.

2.5.1 Ethnocentric staffing policy

This staffing policy is characterised by the fact that most decisions are made at the headquarters of the multinational enterprise, using a home-country standard as a reference for managing the enterprise's foreign subsidiaries (Ball *et al.*, 2010:569; Briscoe & Schuler, 2004:55; Isidor, Schwens & Kabst, 2011:2170). Ethnocentric staffing involves the employment of PCNs in key management and technical positions within the subsidiary.

This policy is best utilised under three conditions (Gooderham & Nordhaug, 2003:298; Isidor *et al.*, 2011:2170):

- There may be circumstances in which a high level of technical competence is required within the foreign subsidiary, but which is unavailable locally (within the host country).
- Operations may involve the use of proprietary knowledge which, if shared with competitors, would undermine the enterprise's competitive advantage.
- Finally, often when MNEs develop new subsidiaries in developing countries, there may be a lack of host-country managerial experience. This links to the fact that, by utilising an ethnocentric approach, enterprises can ensure that headquarters' policies and procedures are being followed within the subsidiary and that the corporate culture is replicated.

This approach to staffing, however, has several drawbacks (Ball *et al.*, 2010:569; Gooderham & Nordhaug, 2003:299). These include:

- HCNs may come to perceive the MNE as a dead-end in terms of career development, due to the lack of opportunities for HCNs to progress into top managerial positions within the

subsidiary. This approach is therefore not conducive to long-term commitment and loyalty from talented host-country recruits.

- Also, the host government may react negatively to MNEs which pursue ethnocentric staffing policies, as HCNs are not given sufficient opportunities to progress within the enterprise.

2.5.2 Polycentric staffing policy

This staffing policy involves human resource policies that are created at the local, or host country, level for the specific conditions in which the subsidiary operates (Ball *et al.*, 2010:571; Briscoe & Schuler, 2004:55; Gooderham & Nordhaug, 2003:298; Isidor *et al.*, 2011:2170). This policy allows for HCNs to dominate in management positions, thereby giving the subsidiary a local ‘face’ (Gooderham & Nordhaug, 2003:298).

This approach to staffing has a number of advantages. These include (Ball *et al.*, 2010:571; Gooderham & Nordhaug, 2003:298; Isidor *et al.*, 2011:2170):

- When host-country nationals are employed at subsidiary level, there is no problem about their being unfamiliar with the local culture, customs and language. They are already highly knowledgeable with regard to local practices and have developed a network of local contacts.
- The initial employment costs of hiring HCNs are usually lower, when compared with the costs involved in employing PCNs and relocating their entire family. It must be noted, however, that considerable training costs may be incurred in order to familiarise the HCN with the policies and practice of headquarters.
- Finally, those MNEs which employ a polycentric approach within their subsidiaries are generally viewed as more politically acceptable, especially if there is a strong feeling of nationalism within the host country.

Disadvantages associated with a polycentric staffing policy include (Ball *et al.*, 2010:571; Gooderham & Nordhaug, 2003:571):

- Local managers are often unfamiliar with the corporate culture, policies and practices of the MNE. Therefore, they may require extensive training. Also, differences in attitudes and values between the local manager and headquarters may cause local managers to act in ways that surprise or displease headquarters.

- There may be a conflict of loyalty between the headquarters and the employer; for example, the local manager (a HCN) may give preference to a local supplier even though imported products may be less expensive or of better quality.

2.5.3 Regiocentric staffing policy

A regiocentric approach to staffing involves selecting regional employees to fill key positions within the region. This involves employing a variety of HCNs and TCNs, as well as PCNs if the enterprise's headquarters is located within that region (Ball *et al.*, 2010:571; Briscoe & Schuler, 2004:54). Isidor *et al.* (2011:2170) explains this staffing policy further by stating that in each region, subsidiaries are interconnected and regulated by a regional centre. This regional centre acts independently and instructs foreign subsidiaries within the region by using a pool of HCN, TCN and PCN managers (Isidor *et al.*, 2011:2170).

The major advantages of such a policy are that:

- It is generally much easier for third-country nationals to adapt to a new culture and language, as they might have adapted in the past (Ball *et al.*, 2010:572)
- Allowing managers to transfer between regional headquarters and subsidiaries enables the MNE to gradually adapt its staffing policies (Shen, 2006:298).

Drawbacks to using the regiocentric staffing policy include the fact that (Gupta, 2013: 45; Shen, 2006:299):

- It may cause federalism on a regional basis.
- It may limit the career paths of managers within the region, as they may only be transferred to subsidiaries within that specific regional area.
- While this approach does improve career prospects at a national level, it only moves the barriers to the regional level, as staff may advance to regional headquarters but seldom to positions at the parent headquarters.

2.5.4 Geocentric staffing policy

Geocentric staffing involves an approach whereby MNEs select the best person to fill a position without considering his or her nation of origin, and can therefore exploit the advantages of each staffing policy. This approach often entails the use of TCNs (Ball *et al.*, 2010:572; Gooderham & Nordhaug, 2003:300; Isidor *et al.*, 2011:2170).

An advantage of this staffing policy is that human resource management within MNEs tends to be consistent across all subsidiaries, borrowing best practices from across the enterprise's global network of subsidiaries, rather than adhering only to the practices used at headquarters within a local context (Ball *et al.*, 2010:572).

Disadvantages of geocentric staffing include the following (Gooderham & Nordhaug, 2003:300):

- Finding individuals who are willing to adopt a nomadic lifestyle is difficult, especially with regard to dual-career couples.
- In some cases, host governments are no more likely to welcome TCNs than they are to welcome PCNs.

2.6 SELECTION OF AN APPROPRIATE STAFFING POLICY

A link may be established between the enterprise's strategy for internationalisation and the staffing policy it implements (Ball *et al.*, 2010:375; Deresky, 2002:256).

In most cases those MNEs which follow an international strategy implement an ethnocentric staffing policy within their enterprise. This may be explained by the fact that MNEs pursuing an international strategy attempt to create value by transferring their core competencies to their foreign market or subsidiary. Generally the best way to ensure that the core competencies of the headquarters are transferred would be to send PCNs, who have in-depth knowledge of the core competency, to the foreign subsidiary (Deresky, 2002:258; Gupta, 2013:43; Paik & Ando, 2011:3005).

MNEs following a multidomestic strategy commonly implement a polycentric staffing policy. This is due to the fact that enterprises pursuing a multidomestic approach aim to customise their

product offering to the tastes and preferences of the local market. Therefore, it follows naturally that the enterprise's subsidiaries would be staffed with HCNs, as the managers will be familiar with and knowledgeable about the local way of doing business, as well as the local language and culture (Deresky, 2002:258; Gupta, 2013:44; Paik & Ando, 2011:3005).

The geocentric staffing policy is often implemented by enterprises pursuing a global or transnational strategy. This is because these strategies require both a strong corporate culture and an informal management network; and the geocentric approach to staffing does this by making best use of the enterprise's human resources by building a cadre of international managers who are familiar with working across a number of cultures (Deresky, 2002:259). This is because a geocentric staffing policy allows for PCNs, HCNs and TCNs to be found in key positions anywhere, including positions at senior management level at headquarters. As explained by Gupta (2013:44), this staffing policy enables the enterprise to develop an international executive team, which goes a long way towards developing a global perspective and an internal labour pool which can be developed throughout the global enterprise.

The regiocentric staffing policy is generally implemented by MNEs pursuing a global strategy. This is because a regiocentric staffing policy allows for the international transfer of managers within a regional area, who can be TCNs or HCNs, as well as PCNs if the enterprise's headquarters is within that same region (Isidor, 2000:2170; Harzing, 2000:108). This type of staffing policy is suited to the global standardisation strategy, especially since there is a great need to ensure that location and learning-curve economies within that region are maximised. Through the effective transfer of expatriate managers between countries in that region, it allows for the standardisation of production activities in a handful of highly efficient facilities within the region, as well as ensuring a standardised global marketing and sales campaign (Harzing, 2000:108).

One must note that although the different policies described here are well known and widely used by MNEs, some critics claim that this typology is too simplistic, and obscures the international differentiation of management practices within international business. Critics claim that within some international businesses, staffing policies may vary from one national subsidiary to another. Other critics note that the staffing policy adopted by an enterprise may be driven by its geographical scope as opposed to its strategic orientation; such is the case with

enterprises that have a broad geographic scope, and thus follow a geocentric staffing policy (Hill, 2006:538).

Deresky (2002:260) and Kangas (2012:19) identify the factors which influence the choice of staffing policy used by the MNE:

- The strategy and structure of the enterprise
- Factors relating to the specific subsidiary, such as the duration of the foreign operation, the level of technology utilised, and the production and marketing techniques required
- Host-country-specific factors, which may also influence the choice of staffing policy. These factors include aspects such as the level of economic and technological development, political stability, and regulations pertaining to ownership within the host country, as well as staffing issues and sociocultural elements.

Often the choice of staffing policy is dependent merely on the availability of qualified managers in the host country; for this reason many MNEs use more PCNs in top management positions within their subsidiaries and employ more HCNs in middle and lower management positions, moving down the organisational hierarchy (Deresky, 2002:260).

2.7 EXPATRIATES

An *expatriate* refers to an employee who is transferred from the home country to the host country, or a third country, on an assignment that typically lasts for an extended period of time, commonly two to four years (Ball *et al.*, 2010:575), or, as defined by Ahlstrom and Burton (2010:367), as a person who is living and working in another country. The concept of expatriation has historically been viewed as the process of moving from the parent enterprise or headquarters to foreign subsidiaries but, as explained by Briscoe and Schuler (2004:234), may be viewed more specifically as the process of moving from one country to another while staying in the employment of the same enterprise. Expatriates may take a number of forms, as at any particular location within a global enterprise an individual manager may be a TCN and still be an expatriate from another country who is employed by and represents the parent company. Therefore, both TCNs and PCNs who are transferred to foreign subsidiaries, and *inpatriates*,

who are transferred from a foreign subsidiary to the headquarters, may also be classified as expatriates. Many MNEs refer to expatriates as ‘international assignees’ (Briscoe & Schuler, 2004:234).

Expatriation commonly has three functions: position filling, organisation development and management development. In practice these functions often overlap and are closely linked (Collings, Scullion & Morley, 2007: 202; Gooderham & Nordhaug, 2003:296; Wang, Bullock & Oswald, 2011:69):

- **Position filling:** often expatriates are used, especially in developing countries where there may be a lack of qualified host country nationals available, to compensate for the lack of host country managers, as well as ensuring that there is a transfer of know-how to host country managers through training and development.
- **Organisation development:** expatriates may be used to disseminate the enterprise’s culture, as well as ensuring homogeneous practices throughout the enterprise and coordination with headquarters’ corporate policies and philosophies.
- **Management development:** expatriate assignments are used as a means of exposing individuals to international business and allowing them to get a ‘feel’ for international business, while at the same time developing an overview of the enterprise in its entirety.

2.7.1 EXPATRIATE FAILURE

Expatriate failure refers to the early return of the expatriate manager to the home country before completing the assignment, but may also be defined in terms of poor overall performance of the expatriate while on assignment, personal dissatisfaction with the experience, lack of adjustment to the local conditions, lack of acceptance by foreign nationals, or the inability to identify and train a local successor (Briscoe & Schuler, 2004:242; Gooderham & Nordhaug, 2003:308; Hill, 2006:538). Additional aspects related to defining expatriate failure may be the damage to business relationships overseas, the failure of the assignee to recognise overseas business opportunities, or unsuccessful repatriation of the assignee, whereby the individual leaves the employ of the multinational soon after returning back from his or her international assignment (Briscoe & Schuler, 2004:243; Naumann, 2011:500).

Failure rates among expatriate managers vary greatly, ranging from as low as 10% to a worrying high of 80%, depending on the nature of the assignment. Research states that some 16% to 40% of US expatriate managers sent to developed nations on assignment fail, and approximately 70% of those sent to developing nations do not complete their assignment and return home prematurely (Black *et al.*, 1991:291; Hill, 2011:609; Swarts & Du Plessis, 2007:47; Tung, 1987:117; Zhang, 2012:3). One must note, however, that in the literature rates of expatriate failure are reported to vary depending on the nationality of the expatriate. Tung's (1987:119) study reports differences in expatriate failure rates: 76% of multinationals reported expatriate failure rates of over 10%, while European and Japanese enterprises' recall rates, on average, were below 5% (Tung, 1987:119). Failure rates among South African expatriates mirror global statistics, with a reported 26% to 46% of South African expatriate managers leaving their international assignments early (Swarts & Du Plessis, 2007:61). These statistics are echoed by Van Aswegen (2008:3), who states that 23% of South African expatriates fail their assignment or return home prematurely.

2.7.1.1 Cost of expatriate failure

The costs associated with expatriate failure are high, with direct cost estimates for the premature return of an expatriate manager ranging from US\$250 000 to US\$1 million (Luthans & Farner, 2002:781). Other authors report costs ranging from US\$40 000 to US\$1 million (Naumann, 2011:500), with the average cost per failure to the parent company being reported from as high as US\$500 000 (Briscoe & Schuler, 2004:242). These figures do not include other associated costs that accrue from the failure of the expatriate manager.

As indicated above, the additional costs to the MNE include the loss of key personnel to the overseas operation, lost opportunities in the foreign market, damage to the enterprise's local image and strained customer and supplier relationships, as well as lost market share in the host country (Van der Bank & Rithman, 2002:38). Zhang (2012:3) highlights more recent cost estimates, whereby the financial loss to MNEs due to the premature return of expatriates on foreign assignments ranges from US\$250 000 to as high as US\$2.5 billion dollars annually, with additional costs enumerated as market share loss, reduced productivity, damaged relations with foreign enterprises and damaged relations with foreign governments.

2.7.1.2 Reasons for expatriate failure

According to Gomez-Mejia, Balkin and Cardy. (2010: 576), there are a number of reasons for the failure of most expatriates. These include career blockage, culture shock (Briscoe & Schuler, 2004:242; Lane, Maznevski, DiStefano & Dietz, 2009:220) ineffective pre-departure cross-cultural training (Briscoe & Schuler, 2004:242; Mendenhall & Oddou, 1985:39), and over-emphasis on technical qualifications (Black & Gregersen, 1999:56; Briscoe & Schuler, 2004:242; Tung, 1987:117), transferring a troublesome employee (Briscoe & Schuler, 2004:242; Douglas & Alvarez, 1998:31) and family problems, which include the inability of the spouse to adjust to the new culture or physical environment (Ball *et al.*, 2010:576; Briscoe & Schuler, 2004:242; Tung, 1987:117). Briscoe and Schuler (2004:244) and Shay and Tracey (1997:33) also highlight additional factors, in conjunction with those already mentioned, which are deemed to contribute to the high rate of expatriate failure:

- Expatriate's personality or lack of emotional maturity
- Expatriate's inability to cope with larger responsibilities associated with the assignment
- Expatriate's lack of technical competence
- Expatriate's lack of motivation to work overseas
- Dissatisfaction with the quality of life while on the assignment
- Dissatisfaction with compensation and benefits
- Inadequate support for the international assignee and his or her family while on assignment

Therefore, although the literature attributes the failure of expatriate assignments to a number of issues, it is clear that academics cite related issues. These major issues will be analysed in the following sections.

2.7.1.3 Career blockage

Many managers feel that an international assignment will damage their careers because they believe that the home office will, as Gomez-Mejia *et al.* (2010:576) state, forget about them and that their careers will be side-tracked while their counterparts in the home office are moving upwards through the corporation (Ball *et al.*, 2010:580). It is important to note, however, that this view may be changing slowly, as a recent survey indicated that when comparing the career

opportunities of managers that had been on a foreign assignment with the opportunities of those that had not, 41% of respondents reported that expatriates acquired better positions within the enterprise more easily, and 39% said that expatriates were promoted faster. There is still, unfortunately, a long way to go in this regard, especially since expatriate turnover rates remain high, possibly due to elements of career blockage, as the same study reported that 27% of respondents said that the expatriate assignment helped them get a job in another enterprise (Gomez-Mejia *et al.*, 2010:576).

The perceived issue of career blockage may lead to failed assignments in the sense that individuals may turn down the assignment for fear of their careers being side-tracked while they are on the assignment (Gomez-Mejia *et al.*, 2010:576) This is despite the fact that, from a management perspective, international assignments are increasingly being viewed as essential to the career enhancement of the individual, and it is becoming more common to encourage international assignments for candidates who management feels will progress within the enterprise. The concern, however, as identified by Briscoe and Schuler (2004:250), is to manage the issue, both from the viewpoint of the MNE, whose managers have their own opinion as to who they feel would be best suited to fill an open position, and the individual, who may not see the career advantages of accepting the foreign assignment, due to concerns over repatriation issues as well as the fact that often, upon return to the parent company, returnees are not given assignments that take advantage of their foreign experience (Briscoe & Schuler, 2004:250).

2.7.1.4 Culture shock

Culture shock comes about when the expatriate manager lacks an interpretation system based on the new culture. This results in the expatriate manager regarding other people's behaviour as confusing, and often their own actions and behaviour do not produce the anticipated results (Gooderhan & Nordhaug, 2004:309). Oberg (1960:177) explains culture shock as a condition that is triggered by the anxiety that results from losing all one's familiar signs and symbols of social intercourse. Ball *et al.* (2010:580) and Dutton (2011) refer to culture shock as the anxiety that people experience when they move to an unfamiliar culture; thus, because familiar signs and symbols are no longer present in the new culture, a person experiencing culture shock tends to feel a lack of direction or inadequacy from not knowing what to do, nor how things are done in the new culture. The expatriate manager and his or her spouse and family may experience culture

shock, as it generally follows a predictable cycle with distinct phases, although it must be noted that not everyone progresses through all the phases. The phases of culture shock include: (Ball *et al.*, 2010:580; Dutton, 2011; Gooderham & Nordhaug, 2004:310, Oberg, 1960:178):

- **The honeymoon phase:** this phase is experienced within the first few weeks in the new culture, and the individual is fascinated by the new culture (Oberg, 1960:177). The individual views differences between the new culture and his or her culture of reference as positive, in that these differences excite and stimulate the individual (Ball *et al.*, 2010:580). This phase is typically experienced within the first few days of the expatriate being in the host country, and is characterised by the expatriate experiencing aspects of *xenophilia*, which is explained as having a naive fascination with the new culture.
- **The distress phase:** in this phase, the individual experiences an increasing level of hostility and aggression towards the host country and its culture (Oberg, 1960:178), accompanied by feelings of anger, impatience, sadness and discontent, as the individual transitions between old, familiar ways and those of the new culture. The distress phase may be experienced at any time between a few weeks and months of the individual's arriving in the host country, with some individuals never breaking out of this phase; in some cases it may trigger the premature return of the expatriate from the assignment (Ball *et al.*, 2010:580; Oberg, 1960:178).
- **The acceptance phase:** if individuals survive the distress phase, or bypass it completely, then they will move to the acceptance phase. In this phase, the individual has now become accustomed to the differences associated with the new culture. Although the individual may still experience certain difficulties, these difficulties can be overcome (Oberg, 1960:178). Here some degree of pleasure may be gleaned from the new culture and the individual is capable of assessing aspects of the new culture against those of the old culture (Ball *et al.*, 2010:580; Dutton, 2011; Oberg, 1960:178).
- **The integration phase:** in this phase, individuals recognise both the positive and negative aspects of the host country's culture, and have established a sense of belonging towards the host culture (Ball *et al.*, 2010:580). Aspects of the foreign culture are seen as just another way of living and the individual is inclined to focus more on the basic concerns of everyday living (Ball *et al.*, 2010:580; Oberg, 1960:178).

- **Reverse culture shock:** this final phase of culture shock is experienced when the expatriates and their family return to their home country after completing their foreign assignment. This phase can produce the same feelings and emotions as discussed in the preceding phases, as the individuals, who have grown accustomed to and feel a part of the host country's culture, are now forced to reacquaint themselves with their old culture. They may feel uncomfortable in their home culture, and certain aspects of their home culture may have changed in their absence, or indeed they themselves may have changed. Therefore, it often takes time for the individual to readjust to the home culture (Ball *et al.*, 2010:580; Oberg, 1960:178; Stroh, Gregersen & Black., 2011:682).

Culture shock is a condition experienced by international assignees and their accompanying family members and, if not properly managed, may be a contributing factor leading to the failure of expatriate managers on their assignment, if they are unable to adjust to the new culture (Ball *et al.*, 2010:580; Gooderham & Nordhaug, 2004:309). If the phases of culture shock are not managed by the expatriate, and support is not given by the MNE, it may result in cultural clashes and misunderstandings, especially if the expatriate tries to force the home office's culture onto the host country's employees (Deresky, 2006:351; Gomez-Mejia *et al.*, 2010:576; Tung, 1987:117). In addition, the aspect of reverse culture shock, which may be experienced by expatriate managers upon their return to the home country, should also be considered in order to ensure the successful repatriation of the expatriate manager (Gooderham & Nordhaug, 2004:309).

2.7.1.5 Ineffective pre-departure cross-cultural training

In most instances of expatriation, very little information is provided to the expatriate and his or her family prior to departure to the foreign country. Often only the basic factual information about the host country is provided in what Tung (1987:118) refers to as "environmental briefing programmes". Very few MNEs offer any form of cross-cultural training; Gomez-Mejia *et al.* (2010:577) state that only approximately one-third of MNEs offer any form of cross-cultural training to their expatriates; this sentiment of inadequate levels of pre-departure training is echoed by Deresky (2011:349), Ball *et al.* (2010:576) and Lane *et al.* (2009:219). This only serves to compound the difficulties faced by the expatriate in the foreign country, making it far

more difficult to deal successfully with culture shock, and making the probability of expatriate failure all the more likely.

2.7.1.6 Over-emphasis on technical qualifications

Many MNEs make the mistake of placing greater emphasis on an expatriate's qualifications and technical abilities than on the importance of cultural sensitivity and relational abilities (Black & Gregersen, 1999:54; Gomez-Mejia *et al.*, 2010:577; Tung, 1987:118). The reason most MNEs place so much emphasis on an expatriate's technical abilities, as Tung explains, is because technical competence almost always prevents immediate failure on assignment, especially when the manager is in high-pressure situations; hence, technical qualifications are often considered over a manager's level of adaptability and degree of communication skills.

2.7.1.7 Transferring a troublesome employee

In some cases managers in the home office feel that expatriation is the only way to deal with a troublesome employee, in the sense that the employee may not be performing satisfactorily in the home office, or the home office feels that this would be a solution to interpersonal disputes or conflicts in the workplace (Gomez-Mejia *et al.*, 2010:577). Mediocre employees are often sent on overseas assignments primarily because some MNEs view their foreign operations as less strategically important, hence they retain the best employees in the home country operations. Moreover, because of the perceived risk associated with expatriate assignments in the form of career blockages, many high-potential employees refuse to take the positions, and thus the organisation must assign less capable individuals to its foreign business units (Douglas & Alvarez, 1998:31).

2.7.1.8 Family problems

The expatriate's family is a major factor influencing whether the expatriate is successful while on assignment, and is also a contributing factor to whether the expatriate even accepts the international assignment. Ball *et al.* (2010:576) suggest that as many as nine out of ten expatriate failures are due to family considerations or problems, and 81% of employees who declined foreign assignments/relocations gave family concerns as their reason for not going abroad. This sentiment of family concerns being a primary factor that contributes to the failure of expatriates

is supported by Gomez-Mejia *et al.* (2010:578) and Shay and Tracey (1997:32). The issue of dual-career couples is also an important consideration, as the expatriate's spouse may not want to relocate for fear of missing out on career advancing opportunities in his or her own profession. The relocation may prove difficult, especially if the travelling spouse does not have a job in the new country (Ball *et al.*, 2010:576; Briscoe & Schuler, 2004:249; Gomez-Mejia *et al.*, 2010:578). Ball *et al.* (2010:57) and Cole (2011:1506) highlight this issue by stating that although 60% of spouses were employed prior to their partner's assignment; only 8% were employed during the course of the assignment. In the light of these alarming statistics, it is interesting to note that very few MNEs actually provide effective cross-cultural training to spouses, with only a reported 30% of enterprises offering education and training assistance to spouses, and 36% of enterprises sponsoring work permits for the travelling spouse.

In addition to the issue of dual-career couples, Briscoe and Schuler (2004:249) highlight additional family considerations which the MNE must take into account when selecting expatriate managers for foreign assignments and which may influence the success of the assignment. These include unresolved issues with adolescent children, health concerns of family members, or dependent parents. There may also be special education requirements for children, such as children with special needs or college selection (Briscoe & Schuler, 2004:249; Meyskens *et al.*, 2009:1443).

Therefore, although the major family considerations, at least initially, may relate to the travelling spouse, the willingness of the spouse of a dual-career couple to travel and his or her employment opportunities abroad, there are a myriad of family considerations that must be addressed, which relate not just to the immediate family of the expatriate manager, but also his or her extended family. These issues not only influence selection into an expatriate position, but also play a huge role in the adjustment of the international assignee and the family in the host country and thus, the potential of the expatriate manager to fail.

2.7.2 RECRUITMENT AND SELECTION OF EXPATRIATES

Recruiting and selecting the most suitable personnel to staff a multinational is a highly important issue in IHRM (Briscoe & Schuler, 2004:232; Edwards & Rees, 2006:195; Griffin & Pustay, 2004:581). Edwards and Rees (2006:198) state that one of the key problems faced by MNEs is their tendency to focus on standard, traditional hiring practices with only minor alterations, despite the vast differences between multinational enterprises in different locations worldwide. Although managers may play similar roles and have similar responsibilities within each managerial level of the enterprise, their activities will vary in size and scope. This is especially true for international managers who have varied roles and responsibilities in different locations and therefore cannot be treated as a single category (Edwards & Rees, 2006:196). This therefore necessitates international human resource managers developing a specialised recruitment and selection programme, one which takes into consideration the goals and objectives of the enterprise and the needs of the candidate involved, as well as the nature of the global and local pressures on the MNE (Edwards & Rees, 2006:196; Griffin & Pustay, 2004:582).

Recruitment refers to the practice of deciding what the MNE requires in a candidate and instigating the necessary procedures to attract the most appropriate candidate for the position (Edwards & Rees, 2006:197; Griffin & Pustay, 2004:582). Selection, in contrast, involves choosing the correct and most suitable candidate for the position from those applicants who have been recruited, and involves practices such as testing and evaluating the skills and characteristics of these individuals to determine which are the most suited to the MNE (Briscoe & Schuler, 2004:236; Edwards & Rees, 2006:197; Griffin & Pustay, 2004:584).

2.7.2.1 Criteria for selection

As more enterprises turn global and expand into foreign countries, IHR managers face greater difficulties and complexities in their role of identifying and developing the human resource talent for their enterprises and ensuring that selection decisions are in accordance with the corporate strategy and goals of the enterprise (Briscoe & Schuler, 2004:239; Deresky, 2002:239; Mitrev & Culpepper, 2012:158). Briscoe and Schuler (2004:239) explain that human resource managers must also take into consideration the receiving manager and location when making selection decisions. This is because when MNEs employ or appoint managers, especially if these

managers are to head a foreign subsidiary, then this appointment makes demands on not only the sending manager and enterprise, but also the receiving subsidiary. Often the sending manager has never worked abroad for an extended period of time, and therefore headquarters may have unrealistic deadlines and expectations which the international manager is expected to meet. In addition, receiving managers, those HCNs already in management positions within the subsidiary, have limited, if any, work experience with headquarters or experience outside their own country and so may also not fully understand the demands placed on the international manager (Briscoe & Schuler, 2004:239; Griffin & Pustay, 2004:585). It is therefore essential that the appropriate selection criteria be used to select personnel for MNEs, whether they are to be sent immediately to fill management positions in foreign subsidiaries, or are expected to work for a number of years and gain experience in the MNE's domestic operations before being sent abroad. These selection criteria differ from one MNE to the next, and are highly dependent on the nature of the position for which human resource managers are selecting (Deresky, 2002:264; Griffin & Pustay, 2004:582).

The criteria believed to be used by MNEs to select expatriates for international positions are varied and referred to in the literature by an assortment of terms, depending on the author. However, for conciseness, and to avoid repeating criteria cited by different authors, the selection criteria most commonly utilised may be grouped according to the following subdivisions:

- **Job suitability:** whereby most MNEs base their selection on the candidate's technical expertise (Briscoe & Schuler, 2004:239; Edwards & Rees, 2006:201; Griffin & Pustay, 2004:584), and their primary focus centres on the candidate's ability to fulfil the target job requirements. This criterion of job suitability also includes additional aspects such as high levels of managerial competency (Edwards & Rees, 2006:201; Griffin & Pustay, 2004:584), as well as good leadership skills (Mitrev & Culpepper, 2012:158). Being proficient in the host country's language is seen as a highly important criterion (Deresky, 2004:264; Griffin & Pustay, 2004:584; Mitrev & Culpepper, 2012:158; Steers *et al*, 2010:38). Finally, the previous job performance of the candidate and any previous foreign assignments which the candidate has taken part in may also be evaluated in terms of their job suitability for the expatriate assignment (Briscoe & Schuler, 2004:239; Mitrev & Culpepper, 2012:158).

- **Cultural adaptability:** cultural adaptability of an individual is a highly important criterion for a successful international manager (Briscoe & Schuler, 2004:239; Edwards & Rees, 2006:201; Griffin & Pustay, 2004:584, Hill, 2006:540; Verbeke, 2009:264). This is because expatriate managers are required to adapt quickly to foreign environments while effectively conducting their managerial duties. Cultural intelligence is an additional factor that is included as an element of MNEs' selection criteria (Lee, Veasna & Sukoco, 2013:2); it refers to the ability of individuals to understand and make the behavioural adjustments necessary to allow them to perform effectively in culturally diverse situations. Cultural intelligence (CQ) is made up of four factors (Lee *et al.*, 2013:3), namely, metacognitive CQ, cognitive CQ, motivational CQ and behavioural CQ. *Metacognitive CQ* refers to an individual's ability to understand a new cultural environment. The *cognitive* element of cultural intelligence refers to the actual knowledge that individuals are able to acquire and comprehend about a new culture, based on a number of insights. *Motivational CQ* relates to the level of self-determination possessed by the individual to focus and maintain the energy required to complete a specific task or to solve problems in various cross-cultural situations. Finally, *behavioural CQ* refers to the individual's level of sensitivity to a new cultural setting and the degree of flexibility that individual has to act appropriately and effectively (Deresky, 2002:204; Steers *et al*, 2010:38).
- **Desire for foreign assignments (candidate and family):** since the adaption to the foreign culture and new environment is so important, the candidates' desire for an international assignment and their willingness to make the effort to adjust to the new culture is essential (Briscoe & Schuler, 2004:239; Mitrev & Culpepper, 2012:158; Verbeke, 2009:264). This criterion is referred to by Mitrev and Culpepper (2012:158) as the candidate's 'motivation' for seeking the international assignment. Family considerations and dynamics are also hugely important in the selection of an expatriate manager, especially as these family dynamics play a large part in whether the expatriate assignment itself will prove successful or not (Deresky, 2002:264; Mitrev & Culpepper, 2012:158; Verbeke, 2009;264). The motivation of the candidate, and the willingness of their immediate family, should be assessed early in the selection process for each candidate.

2.7.2.2 Process of selection

The processes used to select individuals for international assignments vary greatly depending on the enterprise. As a number of different selection criteria may be utilised, enterprises may also make use of different selection processes in order to identify the desired criteria. Briscoe and Shuler (2004:241) identify a number of selection methods which may be used by MNEs in order to select the best possible candidate for assignments overseas. These include:

- **Interviews:** interviews may be conducted with the applicant and their spouse or partner, and are usually carried out with a representative from headquarters, in order to represent the technical requirements for the position, as well as a representative from the foreign office, usually the host manager. Often an interculturalist may also be present during the interview, to assess the ability of the candidate and that of his or her family to adjust to the foreign culture (Briscoe & Schuler, 2004:241; Doornenbal, Stitselaar & Jansen, 2012:10; Edwards & Rees, 2006:204).
- **Formal assessments:** numerous formal assessment instruments that have been designed by industrial psychologists may be used to evaluate a candidate's personal traits, such as adaptability, flexibility and interpersonal skills, as well as others which have been found to be important to the successful adjustment of the candidate to a foreign culture (Briscoe & Schuler, 2004:241). One such method of formal assessment includes the use of selection tests, which can be adapted to the specific nature of the foreign assignment and which test factors such as a candidate's linguistic ability, intercultural ability, psychological fitness for the assignment and other assignment-specific criteria (Doornenbal *et al*, 2012:11; Edwards & Rees, 2006:204).
- **Committee decision:** in some MNEs the process of selecting an expatriate is done through a committee. This committee is often made up of a representative from corporate HR, country HR, as well as the country manager, director of development and functional manager, with the decision being based on the individual's preferences, assessment of the individual's past performance and future potential, the needs of the foreign assignment, and the developmental needs of the individual candidate (Briscoe & Schuler, 2004:241; Shen & Edwards, 2004:826).

- **Career planning:** the choice to pursue an international assignment may come about as one step in the individual's career plan within the MNE (Briscoe & Schuler, 2004:241; McEvoy & Buller, 2013:221).
- **Self-selection:** many MNEs, together with a combination of some of the abovementioned selection procedures, also rely on self-selection by the candidate. This therefore entails that the candidates take the time to assess the issues involved in relocating to a foreign country and culture, and ascertain whether they believe that they are ready and have the necessary skills, experience and attitude to be successful in the foreign assignment (Briscoe & Schuler, 2004:241; Snell & Bohlander, 2010:671).
- **Internal job posting and individual bid:** these are usually combined with interviews and/or additional assessment instruments (Briscoe & Schuler, 2004:241; Stahl, Bjorkman, Farndale, Morris, Paauwe, Stiles, Trevor & Wright, 2012:19). Internal job postings provide an effective way to identify talent within the enterprise. This is achieved by utilising the enterprise's intranet to allow employees to post their profiles on the system, and management can then search available candidates interested in a new position. If developed and managed effectively, such internal job posting systems can provide standardised assessments of employees' experience, competence, and performance ratings, which HR managers may use to determine current employees suitability for specific international positions (Stahl *et al.*, 2012:19).
- **Recommendations/references:** often special recommendations may be made by senior executives or line managers who have overseas human resource needs, or who believe a certain candidate will be suited to a certain position because of past experience (Briscoe & Schuler, 2004:241; Doornenbal *et al.*, 2012:10). It should be noted, however, that recommendations and past experience may not always be the best means of selection, although they can provide a good indication of the candidate's skills and background (Edwards & Rees, 2006:204).
- **Assessment centres:** Briscoe and Schuler (2004:241) and Lanik & Gibbons (2011:222) note that in some cases MNEs make use of assessment centres as a tool to evaluate the suitability of candidates for a foreign assignment. Assessment centres typically utilise techniques that integrate behavioural simulation data with other types of assessments to inform selection or promotion decisions, as well as diagnosing training needs and providing methods to improve

certain aspects of employee performance. The behavioural simulations used require the candidate to engage in some form of open behaviour, such as making a presentation, participating in group discussions or role-playing (Lanik & Gibbons, 2011:222). It is important to note, however, that the use of assessment centres is limited, specifically because it is doubtful that assessment centres would prove to be a better guide than any other to the candidate's potential fitness for an expatriate assignment (Edwards & Rees, 2006:204). This is primarily because the quality of the assessment output relies heavily on the assessors' judgement process, which may be strongly influenced by culture as well as personal qualities of the assessor (Lanik & Gibbons, 2011:223).

One should also note that many of these procedures used are commonly an extension of procedures used for domestic staffing decisions, and thus many of these procedures are conducted in an ad-hoc fashion, using whichever technique is quickest and easiest given the particular circumstances (Briscoe & Schuler, 2004:242).

2.7.3 EXPATRIATE PREPARATION, TRAINING AND SUPPORT

The importance of preparing and developing expatriates for overseas assignments cannot be overstated, especially as expatriate training and support is conducted in an effort to help control and reduce the high rate of expatriate failure (Briscoe & Schuler, 2004:257; Deresky, 2006:363; Griffin & Pustay, 2004:587; Luthans & Farner, 2002:781). As stated earlier, expatriate failure is defined as the premature return of an assignee from the international assignment, but may also refer to those expatriates who choose to remain on assignment, but become ineffective in terms of job performance (Luthans & Farner, 2002:781; Naumann, 2011:500). Expatriate failure is of great concern to MNEs, especially with failure rates ranging from 10% to 80% being reported, depending on the assignment, with figures as high as 70% for assignments in developing nations; and associated financial costs to the enterprise of between US\$40 000 and US\$1 million (Naumann, 2011:500; Vogel & Van Vuuren, 2008:80). Therefore, it is generally considered imperative that the MNEs develop comprehensive preparation, training and support programmes in order to reduce the failure rate of expatriate managers (Griffin & Pustay, 2004:587).

2.7.3.1 Preparation

Preparing the expatriate for his or her international assignment occurs prior to the individual's leaving for the host country, and essentially the primary goal of an effective preparation programme is to teach the assignee how to learn (Littrell, Salas, Hess, Paley & Reidel, 2006:368; Mitrev & Culpepper, 2012:161). In essence, preparing the expatriate includes aspects of training and development, and the assignee is taught how to learn and acquire information about another culture, as well as developing the necessary skills to assess new and diverse situations and respond accordingly. Preparation for an expatriate assignment may include a variety of training techniques, such as mentoring, look-and-see visits, cultural awareness training and learning the language of the host country, which aim to ensure that the assignees are adequately equipped with the necessary skills (Joshua-Gojer, 2012:51; Littrell *et al.*, 2006:369; Mitrev & Culpepper, 2004:587) to:

- Overcome the difficulties that could potentially undermine their effectiveness while overseas
- Develop positive relationships with host-country nationals
- Accomplish work-related objectives
- Effectively cope with the stresses encountered while on foreign assignment

2.7.3.2 Training

Training is defined as instruction directed at enhancing specific job-related skills and abilities (Griffin & Pustay, 2004:587; Sharma, 2011:13) and may include foreign-language training, training with regard to the implementation of a new manufacturing procedure, or acculturation training. Training assignees for international assignments (cross-cultural training) should focus on accomplishing three things (Briscoe & Schuler, 2004:280; Deresky, 2006:363; Mitrev & Culpepper, 2012:161; Reiche & Harzing, 2009):

- Making international assignees aware that behaviours vary across different cultures, and may be very different from what they are used to (The relevant culture should be analysed carefully and candidates should learn as much as possible about it)

- Helping expatriate managers to build a mental map of the new culture so that they can understand the local values and beliefs, as well as why some behaviours and ideas are valued above others, and how these can be effectively reproduced
- Ensuring that assignees practise the behaviours they will need to be effective in their overseas assignment

The more rigorous the training of expatriate managers and their families, the greater the likelihood that they will learn the behaviours and attitudes they will need to succeed in the foreign culture. As stated by Briscoe and Schuler (2004:281), matching rigour to the needs of the assignee and family, and to the degree of dissimilarity of the new country and culture is the key to the design of a valid cross-cultural training programme

A variety of training techniques may be used. These include (Deresky, 2006:365; Moon, Choi & Jung, 2012:292; Sharma, 2011:17):

- **Area studies:** these are documentary studies/programmes about the country's geography, economic climate, socio-political history, and cultural institutions.
- **Culture assimilators:** these expose expatriates to the kinds of situations they are likely to encounter that are considered critical to successful social and business interactions. This involves specific communication exercises involving brief intercultural interactions, to help the expatriate adjust to and learn about certain aspects of the other culture.
- **Language training:** this involves sessions whereby the assignee, and in some cases his or her accompanying family members, are taught the language of the assigned country. Language training is seen as a very important element of cross-cultural training, due to the fact that having a good grasp of the spoken and written aspects of the host country's language not only helps the assignee conduct business on a daily basis, but also plays a large role in helping the expatriate adjust to and settle into the new culture.
- **Sensitivity training:** this involves programmes that help trainees build and develop their cultural awareness and accept different cultural behaviours and value systems.
- **Field experiences:** exposure to people from other cultures within the assignee's own country.

- **Host-family surrogate:** where the MNE pays for and places an assignee and his or her family with a host family as part of an immersion and familiarisation programme.

Shay and Tracey (1997:34) highlight an important model for effective cross-cultural training. This model explains the importance of studying both ‘objective’ and ‘subjective’ characteristics of the host country’s culture. In this model, objective characteristics of a culture refer to those which are tangible and observable, such as currency, the government system and language. By understanding and studying these, and other objective characteristics, the expatriates will understand what to expect in their daily routine, and will be able to manage the change and cope with the additional stress which may result from being in the new culture. However, it is not enough for expatriates to focus only on the objective characteristics of the new culture. They must also develop an in-depth understanding of that culture’s subjective characteristics, such as its customs, norms and beliefs. An understanding of these characteristics will help the expatriate glean invaluable knowledge regarding the values and beliefs that influence behaviour in the host country, such as attitudes to work, authority and punctuality. Therefore, according to Shay and Tracey (1997:35), cross-cultural training programmes should include both objective and subjective aspects of culture; where objective training precedes training regarding the various subjective aspects of the host country’s culture. Objective aspects help the assignee feel comfortable with the new culture/environment, and a deep understanding of subjective cultural aspects facilitates the acculturation of the expatriate and therefore enhances his or her performance (Shay & Tracey, 1997:35).

Research on expatriate adjustment has established that adequate pre-departure training facilitates the adjustment process of the expatriate manager and the family in the foreign location; although it should be noted that family members are often not included in the training programmes, and it is strongly recommended that in-depth sociocultural training be provided to the accompanying family members as well as the expatriate (Gupta, Dasari & Dasari, 2012:10; Luthans & Farner, 2002:780; Sievers, 1998:S9). It should also be noted that training programmes, like staffing policies, should be designed with the enterprise’s strategy in mind (Deresky, 2006:366), with an increase in the amount and depth of training being given to expatriate managers from enterprises which have a greater global presence, as opposed to the basic training needed by managers from purely export-based enterprises.

2.7.3.2.1 Development

Development differs from training. Duggan (2013), Hill (2006:543) and Griffin & Pustay (2004:587) highlight the differences between training and management development; training is defined as the process whereby employees are taught critical skills required to perform their current responsibilities, and may be conducted through workshops, seminars and group events. Management development, in contrast, tends to prepare employees for additional job roles in the long term, and is achieved through more personalised programmes such as coaching and mentoring.

Development is conducted with the aim of the MNE's maximising its human resources in the long term, and developing a global management cadre through the development of core management competencies (Deresky, 2002:276). In order to develop such a cadre, the MNE must pay attention to several focal issues (Deresky, 2002:276; Farndale, Scullion & Sparrow, 2010:167):

- To maximise the long-term retention and use of its human resources, using career management to ensure the development of a top management team with global experience
- To develop effective global management teams
- To understand, value and promote the role of minorities in international management in order to maximise its use of human resources

An enterprise's global cadre of managers represents one of its most valuable resources, and thus the proactive management of such a resource will result in the effective management of overseas operations, the fostering of favourable careers for expatriates, and ultimately the success of the enterprise (Deresky, 2002:285).

2.7.3.3 Support

It is very important that international human resource managers provide support and assistance to the expatriate manager and also any accompanying family members *while on assignment*, and not limit support only to pre-departure training and preparation. This element of support is especially important with regard to health and safety concerns that the expatriate may have while in a foreign country. International assignees and their families should be given an orientation to

the different medical systems, as well as security plans and emergency guidelines (Briscoe & Schuler, 2004:381; Druckman, Harber, Liu & Quigley, 2012:1118).

One aspect with regard to health and safety that the MNE should consider when sending managers abroad, especially to politically hostile locations, is the threat of terrorism. Some enterprises do have policies in place to deal with such a threat, and ensure that their assignees and families are protected by making use of trained chauffeurs and guards, providing added home security, and in some cases providing kidnap insurance to cover their key executives in hostile locations (Briscoe & Schuler, 2004:382; Coyne & Bell, 2012:124).

MNEs should also consider other traumatic events which may befall the expatriate manager while on assignment. These include sudden illness or a serious accident, as well as local problems such as transportation strikes or disruptions and natural disasters. The trauma that may be experienced under these circumstances, especially while in a foreign location, may be made even greater by the fact that the expatriate is far from home or her normal support structure, as well as by language difficulties, foreign laws and a different medical system or criminal justice system. Therefore it is imperative that security bulletins, contingency plans and emergency guidelines, among other strategies, be put in place and explained to the assignee in order to ensure the safety of the enterprise's human resources and accompanying family members (Briscoe & Schuler, 2004:383; Collings *et al.*, 2011:366).

Additional aspects of support, highlighted by Sievers (1998:S9) and Collings *et al.* (2011:366) include helping the travelling spouse find employment in the new country. With the prevalence of dual-career couples, often one person has to sacrifice their career if they are to accompany their spouse on assignment. Reimbursements include paying for a work permit, preparing a resume and paying for using a job placement agency. Non-work or off-the-job support is also very important. Specifically, the MNE can allay uncertainties felt by the expatriate and his or her family by providing logistical support with regard to issues such as housing and transportation (Collings *et al.*, 2011:366). Many MNEs also provide support to their expatriates' families through the establishment of clubs and social organisations which provide financial and administrative support to expatriates and their families. For example, at ETH Zurich, the dual career advisor facilitates the interaction of parents with local schools and authorities, as well as helping expatriate families explore local sports and music facilities, acting as community

interpreters, and accompanying and introducing family members to people and events (Collings *et al.*, 2011:366). An additional, but very important support concern is that of ensuring local education options are available for the children of expatriate managers. Companies with significant expatriate populations in certain locations have set up local schools which offer internationally accepted curricula (Gupta, Banerjee & Guar, 2012:19).

The MNE may also utilise host-country personnel to provide the expatriate with key support while on assignment, both in the work environment and outside of work. These local mentors, both formal and informal, can go a long way to assisting the assignee to become quickly accustomed to local work practices and cultural norms, therefore facilitating improved performance (Collings *et al.*, 2011:366; Zhuang, Wu & Wen, 2012:36).

It is important to note that every individual experiences the adjustment to the new host country and culture differently, and this therefore requires that the MNE develop a support structure and strategy that is flexible and goes beyond the standard provisions to include extensive training and mentoring programmes, both on location and at company headquarters in the home country (Briscoe & Schuler, 2004:383; Collings *et al.*, 2011:366).

2.7.4 EXPATRIATE COMPENSATION

The design of a good compensation and benefits package for international managers is crucial, especially with regard to attracting, retaining and motivating international employees (Deresky, 2006:370; Suutari, Tornikoski, & Makela, 2012:3456).

Designing and maintaining an appropriate compensation package is complex. This is due, especially, to the fact that differences between the parent and host-country's financial, legal and customary practices must be considered (Deresky, 2006:370; Suutari *et al.*, 2012:3458). Owing to national differences in compensation, issues arise such as whether an enterprise should pay executives in different countries according to the prevailing conditions within each country, or alternatively, equalise pay on a global basis (Hill, 2006:548; Suutari *et al.*, 2012:3458).

2.7.4.1 Negotiation/ad hoc

According to Briscoe and Schuler (2004:310) when enterprises initially begin to send managers overseas on assignments, and when the number of international assignees is still low, then the common approach to determining pay and compensation packages is done on an ad-hoc basis, or a unique package is negotiated for each individual.

2.7.4.2 Balance-sheet approach

The balance-sheet approach is followed by most MNEs when their operations have expanded to such an extent that a relatively large number of international assignees are used (approximately 20 individuals) (Briscoe & Schuler, 2004:311; Hill, 2006:550). This compensation method entails a more standardised approach, whereby the MNE aims to ensure that, at a minimum, the assignee is no worse off for accepting an overseas assignment. Ideally, such a compensation package should provide an incentive for the assignee to take the assignment, to remove any concerns about compensation issues while on assignment, and to ensure that the individual and his or her family feel good about being on assignment (Briscoe & Schuler, 2004:311).

The basic elements of the balance-sheet approach begins with the employees' existing parent-country compensation, which is inclusive of their current salary, benefits or any additional forms of monetary or non-monetary compensation. To this base element are added two additional components: a series of incentives to accept the foreign posting, as well as equalising components to ensure that the assignee does not suffer from foreign-country differences in salary or benefits (Briscoe & Schuler, 2004:313; Deresky, 2006:370).

- **Salaries**

One of the key complications to this balance-sheet approach is the determination of the base upon which to add incentives and adjustment. A number of possibilities exist, including (Briscoe & Schuler, 2004:313):

- Home-country salaries (this is the most common base for the balance-sheet approach), whereby the current market-related home salary is used as the base. In this case, the home country refers to the country where the expatriate resides permanently. This approach is used in order to maintain internal equity between countries and to equalise the impact of

differences between country tax rates (Auzini & Tjakraatmadja, 2012:2; Ball *et al.*, 2010:583; Deresky, 2006:370; Hill, 2006:550).

- International (usually based on the headquarters) standard
- Regional standard, whereby the salary of the assignee is based on the average salary of individuals who occupy similar positions within that regional area
- Host-country (destination) salaries, whereby the assignee's salary is based on the salary of a host-country national who occupies a position similar to that of the expatriate
- The better-of-home-or-host approach, which compares the net pay under the home-country compensation system with the net salary in the host location. The assignee will then receive the higher of the two, to ensure that an international assignee will not have to live at a lower standard than a local counterpart, and that the individual will be protected when the home-country compensation package requires a higher standard than that received by the local counterpart (Auzini & Tjakraatmadja, 2012:3).

- **Allowances**

Allowances are payments which are made to the assignees to compensate them for the extra costs they incur to live as well abroad in the host country as they did in the home country, with the most common allowances being made for housing, cost of living, tax differentials and education, as well as moving to the host country (Ball *et al.*, 2010:284; Briscoe & Schuler, 2004:315).

- **Housing allowances:** housing allowances are typically designed to allow the assignee and the family to live in a house of equal or similar standard to that which they occupied in the home country. The MNE will usually pay the rent that is in excess of 15% of the executive's salary (Ball *et al.*, 2010:284; Briscoe & Schuler, 2004:313; Rahim, 2012:189).
- **Cost-of-living allowances:** According to Ball *et al.* (2010:584) cost-of-living allowances are based on differences in prices paid for food, utilities, transportation, entertainment, clothing, personal services, and medical expenses overseas compared with the prices paid for these items in the headquarters' location. This approach to expatriate compensation generally uses the principle of retaining the assignee's home salary and paying an additional separate allowance, primarily for differences in the cost of living between the home country and host

country. This approach ensures equality in the level of purchasing power of expatriates doing the same job at the same level in different parts of the world, taking cost of living as well as exchange rate differences into account (Auzini & Tjakraatmadja, 2012:2; Rahim, 2012:189).

Many MNEs collect their own data or draw data from the United Nations or World Bank, and figures and comparisons for the costs of living may be found in private publications. For example, according to Mercer Human Resource Consulting (2013), the most expensive city in terms of cost of living is Luanda, Angola, followed by Moscow, Russia, the third most expensive city being Tokyo, Japan. One must take note, however, that world events and economic and political upheavals can greatly affect a city's ranking on such an index through currency fluctuations, inflation and volatility in accommodation prices. Table 2.1 provides a ranking of the top 10 cities in terms of cost of living.

Table 2.1: 2013/2014 Mercer cost of living rankings: Top 10 cities

[Base city: New York, US]

2013 Ranking	City	Country
1	Luanda	Angola
2	Moscow	Russia
3	Tokyo	Japan
4	N'Djamena	Chad
5	Singapore	Singapore
6	Hong Kong	Hong Kong
7	Geneva	Switzerland
8	Zurich	Switzerland
9	Bern	Switzerland
10	Sydney	Australia

Source: Adapted from Miratel Soutions Inc. (2013)

- **Allowances of tax differentials:** MNEs pay tax differentials when the host country taxes are higher than the taxes that the assignee would pay on the same compensation package in the home country. This is to ensure that the assignees will not have less after-tax pay in the host country than they would at home (Ball *et al.*, 2010:584; Rahim, 2012:189).
- **Education allowances:** Many families who accompany foreign assignments wish to ensure that the level of education that their children receive is at the very least equal to that which they were receiving in the home country, and many wish to be taught in their native language. MNEs may either pay for their tuition or, if there are enough children from international assignees within the host country, may operate their own school (Auzini & Tjakraatmadja, 2012:2; Ball *et al.*, 2010:584; Rahim, 2012:189).
- **Moving and orientation allowances:** Enterprises will generally pay the total cost of relocating the assignee and the family to the foreign country, which includes moving the household effects and maintaining the family in a hotel until the household effects arrive. Enterprises may also pay for some orientation of the employees and their families, as well as guiding the family in terms of everyday living activities, such as shopping, selecting schools for their children and helping the family hire domestic help if required (Ball *et al.*, 2010:584; Rahim, 2012:192).

- **Bonuses**

Bonuses (or premiums) are paid to assignees by the enterprise in recognition of the hardships, inconveniences and sacrifices that are made by the assignees and their family while living abroad (Ball *et al.*, 2010:584; Rahim, 2012:192). Bonuses may include foreign-service premiums, contract-termination payments and home-leave reimbursements (Ball *et al.*, 2010:584; Briscoe & Schuler, 2004:315).

- **Foreign-service premium:** This is additional pay received for working outside of their country of origin (Briscoe & Schuler, 2004:315; Hill, 2006:550; Rahim, 2012:192), and is meant to compensate individuals for having to live in an unfamiliar country which is isolated from family and friends, as well as having to adapt to a new culture, working habits and practices. These premiums may also be referred to as “hardship bonuses” as, if the living

conditions are extremely disagreeable, the MNE may pay a higher premium for hardship posts. Hardship postings are assignments in dangerous locations, developing countries, and locations where there is a greater threat of kidnapping or terrorist activity, as well as remote locations or locations with primitive conditions. Briscoe and Schuler (2004:587) identify three broad areas which are considered when one evaluates the extent of hardship; these are physical threat, level of discomfort, and inconvenience. The *physical threat* category includes potential or actual violence, hostility to foreigners from the local population, prevalence of disease, and the lower availability of adequate medical facilities and services. The *discomfort* category evaluates the physical environment and climate, as well as geographical, cultural and psychological isolation of the assignees and their family. Finally, the *inconvenience* category rates the local education system, the quality and availability of local housing, access to recreational facilities and the availability, quality and variety of consumer goods and services (Briscoe & Schuler, 2004:315). Hardship premiums generally range from 5% to 25%, with danger pay adding another 15% to 20% to base pay (Ball *et al.*, 2010:586; Briscoe & Schuler, 2004:317). Table 2.2 shows the differential pay premiums for hardship postings, based on the US State Department's data for 2013.

Table 2.2: Hardship differential pay premiums for selected cities and countries, 2013

Country	City/Region	Differential Pay Premium (%)
Afghanistan	Kabul	35%
Albania	Tirana	20%
Algeria	Algiers	20%
Angola	Luanda	25%
Antarctic Region Posts	Antarctic Region Posts	25%
Australia	Alice Springs	10%
Bahamas	Andros Island	10%
Bangladesh	Dhaka	30%
Bolivia	La Paz	25%

Table 2.2 (Continued)

Country	City/Region	Differential Pay Premium (%)
Botswana	Gaborone	10%
Brazil	Rio de Janeiro	10%
Burma	Rangoon	30%
Burundi	Bujumbura	25%
Cambodia	Phnom Penh	25%
Cameroon	Douala	20%
Chad	Ndjamena	30%
China	Shanghai	10%
China	Beijing	15%
Cuba	Havana	25%
Democratic Republic Of The Congo	Kinshasa	30%
Dominican Republic	Santo Domingo	20%
Egypt	Cairo	15%
El Salvador	San Salvador	15%
Ethiopia	Addis Ababa	25%
Fiji	Suva	20%
Gabon	Libreville	15%
Ghana	Accra	20%
Greece	Athens	5%
Haiti	Port-au-Prince	30%
Honduras	Tegucigalpa	15%
Iceland	Reykjavik	5%

Table 2.2 (Continued)

Country	City/Region	Differential Pay Premium (%)
India	Mumbai	20%
Indonesia	Jakarta	25%
Iraq	Baghdad	35%
Jamaica	Kingston	15%
Jerusalem	Jerusalem	5%
Kazakhstan	Almaty	25%
Kenya	Nairobi	30%
Kosovo	Pristina	25%
Kuwait	Kuwait City	10%
Lebanon	Beirut	20%
Lesotho	Maseru	20%
Libya	Tripoli	35%
Malawi	Lilongwe	25%
Malaysia	Kuala Lumpur	10%
Mali	Bamako	25%
Mauritius	Mauritius	5%
Mozambique	Maputo	25%
Namibia	Windhoek	5%
Nepal	Kathmandu	20%
Nigeria	Lagos	25%
Peru	Lima	15%
Qatar	Doha	5%

Table 2.2 (Continued)

Country	City/Region	Differential Pay Premium (%)
Russia	Moscow	15%
Rwanda	Kigali	20%
Sierra Leone	Freetown	30%
South Africa	Johannesburg	5%
Sri Lanka	Colombo	20%
Sudan	Khartoum	25%
Swaziland	Mbabane	15%
Syria	Damascus	20%
Taiwan	Kaohsiung	5%
Tanzania	Dar Es Salaam	25%
Thailand	Bangkok	10%
Uganda	Kampala	25%
Vietnam	Hanoi	20%
Yemen	Sanaa	25%
Zambia	Lusaka	15%
Zimbabwe	Harare	30%

Source: Adapted from US Department of State (2013)

- **Contract-termination payments:** these are bonuses paid to the assignee as an incentive to individuals to stay on the assignment and work out the period of their foreign posting. These contract-termination payments are only made at the end of the contract period (Ball *et al.*, 2010:586). These premiums are commonly used in the petroleum and construction industries, as well as other enterprises which have contracts requiring work abroad for a specific period of time or for a specific project. Contract-termination payments may also be used if the

foreign posting is a hardship or a not particularly desirable one (Ball *et al.*, 2010:586; Briscoe & Schuler, 2004:320).

- **Home leave:** many MNEs who make use of home-country or third-country nationals in their foreign operations make it a practice to pay for periodic trips back to the home country for the individual and the family. This is done for two reasons: firstly, it allows the assignees and their family to remain in touch with the home country and its culture, and secondly, it allows the assignees to spend a few days at enterprise headquarters in order to renew their relationship with headquarters' personnel and familiarise themselves with new policies and practices within the enterprise. Commonly, two to four weeks' home leave is granted to assignees per year, with the MNE covering all travel expenses and expenses incurred while the assignee is at headquarters (Ball *et al.*, 2010:586; Rahim, 2012:192).

2.7.4.3 Localisation

Briscoe and Schuler (2004:321) explain this localisation approach to international compensation as a relatively new method, which has been implemented by some MNEs to address problems of high costs and perceived inequity between staff in foreign subsidiaries, by paying international assignees comparably to local nationals. Although this is relatively simple to administer, additional allowances and premiums may still have to be negotiated, since these individuals may come from a different standard of living than that experienced in the host country (Nazir, Shah & Zaman, 2012:3054).

2.7.4.4 Lump sum

In this approach to international compensation, the enterprise determines a total salary for the individual, which covers all the major incentives and adjustments, and then the enterprise lets the assignees determine how they will spend it; that is, on housing, home visits, transportation, education and so forth. This lump sum allowance may be a single payment, made at the start of the relocation process to cover all costs; or this lump sum payment may be split, with a portion of it being paid to the assignee at the outset, with the remainder paid upon successful completion of the assignment (Briscoe & Schuler, 2004:321; Mahajan, 2011:123).

2.7.4.5 Cafeteria

This approach involves providing a set of choices of benefits, up to a predetermined monetary limit in value, to the assignee. The advantages of this approach accrue to both the MNE and the assignee, and are primarily linked to the tax coverage of benefits as compared with cash income. Thus, since the individual's expenses are paid for by the enterprise, and less cash is needed, the firm enables the assignee to gain benefits such as a company car, insurance and company-provided housing, which do not increase the assignee's income for tax purposes (Briscoe & Schuler, 2004:321; Nazir *et al.*, 2012:189).

2.7.4.6 Regional systems

Compensation packages based on the regional system are designed for international assignees that have international assignments within a particular region of the world. Expatriates are paid on a regional scale, with allowances derived from that regional base. In this case, a regional basket of benefits would be used across all assignees operating within that specific region. These regional compensation schemes are designed to maintain equity within that region, and are generally used together with another compensation approach. This system allows for some degree of flexibility, as if individuals are moved to another region, then their pay can be transferred to one of the other regional systems, depending on the system employed there, such as the balance-sheet approach (Briscoe & Schuler, 2004:321; Rahim, 2012:193).

2.7.4.7 Global

A final approach to international compensation that is being followed, especially for international assignees above a certain compensation level (that is, professional, technical and managerial employees), is to apply a common global pay and benefits package for each job classification worldwide. This is done in recognition of the fact that for numerous specialised occupations there is actually a global labour market, with highly qualified individuals from all over the world applying for the same jobs. In this approach, MNEs will have two pay classifications, namely, local employees below a defined level, and international. The international level will generally contain a performance-based component, whereby a portion of the individual's salary will be awarded upon the acquisition of certain predetermined business

targets within the host country. The standard used in this approach is usually the level paid for those occupations at the firm's headquarters (Briscoe & Schuler, 2004:322; Mahajan, 2011:122).

2.7.5 PERFORMANCE APPRAISAL

Performance appraisal is the process of assessing how effectively people are performing their jobs; the purpose of such appraisals being to provide feedback to individuals of how well they are performing, to provide a basis for rewarding top employees, as well as to identify areas where additional training and development may be required, and to identify problem areas which may require a change in assignment (Griffin & Pustay, 2005:589). Briscoe and Schuler (2004:353) discuss performance appraisals as part of a greater performance management (PM) system, which includes the context of the appraisal process, the raters of performance, and the performance appraisal form and format itself.

Performance management systems, and therefore performance appraisal systems, are developed for a number of reasons, including evaluation and development. The purpose of such systems is considered much the same for both domestic and international enterprises; however, the implementation of these goals is significantly more difficult in the global arena (Briscoe & Schuler, 2004:355, Harvey & Moeller, 2009:284). The evaluation-based goals of such appraisal systems in the international environment include (Briscoe & Schuler, 2004:355; Griffin & Pustay, 2005:589):

- To provide feedback to international managers so that they will know where they stand
- To develop valid data for compensation, promotion, and job assignment decisions, and to provide a means whereby these decisions can be communicated
- To help managers make discharge and retention decisions, and to provide a means of warning employees with regard to unsatisfactory performance

The developmental goals of such appraisal systems within the international environment include (Briscoe & Schuler, 2004:355; Griffin & Pustay, 2005:589; Harvey & Moeller, 2009:284):

- To help managers improve their performance and develop their future potential

- To develop commitment to the enterprise through discussion of career opportunities and career planning with the manager
- To motivate managers through recognition of their efforts
- To diagnose individual and organisational problems
- To identify individual training and development needs

One must note, however, that a variety of considerations exist which may influence the MNEs' ability to achieve these evaluation- and performance-based objectives; including the nature of the international assignment, the degree of support from and interaction with the parent company, the environmental conditions and the level of assignee and family adjustment within the foreign country (Briscoe & Schuler, 2004:355).

2.7.5.1 Challenges to effective performance appraisal

Briscoe and Schuler (2004:355-360) identify numerous challenges to the effectiveness of performance management and performance appraisal systems, which arise largely because of the differences between the domestic and international PM environments. These challenges include:

- **Invalid performance criteria**

International assignees often receive inappropriate performance appraisals because the performance criteria commonly used in their home countries are applied to the foreign culture, and often make no sense within that culture. For instance, many international managers are evaluated according to profits, rate of return on investments, cash flows and market share. Many performance appraisals may also be trait-based, whereby characteristics such as initiative, judgement, timeliness and friendliness are also evaluated. These types of criteria for evaluation may not be as relevant in the foreign setting as they are in the home country, or, if they are important, given the remoteness of some foreign postings and the infrequent contact between the evaluator and assignee, they are certainly more difficult to assess (Briscoe & Schuler, 2004:356; Harvey & Moeller, 2009:284).

External factors usually have more influence on the financial and operational results of the MNE's subsidiary overseas than the effects of external factors within the domestic environment. These external factors include issues such as severe inflation, currency devaluations and local leave and holiday requirements, which are generally not major considerations within the

domestic environment of the MNE. Therefore, more appropriate evaluation criteria, used in conjunction with traditional business measures, should be used. These criteria may include dimensions such as the international manager's relationship with union leaders and local government, local market share, cross-cultural skills, relationship with the local workforce, community involvement, speed and quality of local adoption, and employee morale (Briscoe & Schuler, 2004:357; Harvey & Moeller, 2009:284).

- **Rater competence**

In the domestic or home country setting, managers are evaluated by bosses with whom they have a significant amount of contact and frequent interaction. This, however, is typically not the case in the overseas work environment. Briscoe and Schuler (2004:356) report that 75% of top executives in MNEs have had no international experience, and often it is these parent-company executives who conduct the international assignee appraisals. This is problematic, since their lack of understanding of the social and business contexts in which the work is performed means that these executives have no feel for the unique challenges faced by international assignees or overseas managers. Under these circumstances, the chance of rater error increases significantly (Briscoe & Schuler, 2004:356). International assignees often suggest that their home office deals with them in an 'out of sight, out of mind' manner, and that the home office does not understand the diverse and complex problems that they face overseas. Therefore, because of this, international managers are often left alone and isolated from activities and decisions in the parent enterprise and from their superiors in the home office (Harvey & Moeller, 2009:285).

A competent or internationally experienced rater who understands the realities of the global business environment and is aware of the diverse challenges faced by international assignees can compensate for a poorly designed performance appraisal system which either measures the wrong things or does not take external influencing factors into account. The combination of a poorly designed appraisal system, and a rater who does not understand the global business environment and/or the cultural context of the assignee will inevitably lead to invalid performance evaluations (Briscoe & Schuler, 2004:357; Harvey & Moeller, 2009:285).

- **Rater bias**

Even if the performance appraisal is conducted by a host-country manager, or home-country executive who better understands the challenges faced by the international assignee, the validity of the appraisal cannot be assured. This is due to the fact that individuals from different cultures consistently misinterpret the behaviour of others, possibly biasing the appraisal. Misinterpretations may be based on a preconceived attitude on the part of the rater towards the assignee that is not directly related to the performance review. Also, because people who work in foreign environments often have preconceived notions, that is, prejudices or stereotypes, about the nature of the attitudes and behaviours of the ‘foreigners’ with whom they work, it frequently happens that their evaluations are based on these biases (Briscoe & Schuler, 2004:360; Harvey & Moeller, 2009:285).

- **Host environment**

The international context, with its different social, legal, economic, technical and physical demands, plays a significant role in the performance of international assignees. Therefore the expectations and performance of assignees need to be placed within this international and organisational context. Moreover, the type of organisational structure in the foreign country adds an additional dimension to this concern over the host environment. In many locations, for example, working in a wholly-owned subsidiary will be much easier than working in a joint venture with a local partner. In the same way, overseeing the opening of a new office or facility in a foreign country, especially in developing nations, will be different from the challenges faced in a more mature operation (Briscoe & Schuler, 2004:360; Harvey & Moeller, 2009:284).

- **Cultural adjustment**

The process of cultural adjustment is a crucial determinant of international assignee job performance and needs to be taken into consideration. Adjustment to a local culture is multifaceted, with individual reactions and coping behaviours varying according to a number of factors that in turn are difficult to assess, such as prior experience, local assistance, and the degree of preparation and orientation. Therefore, determining the relevance of cultural adjustment when evaluating the international assignee in terms of work performance may be difficult (Briscoe & Schuler, 2004:360; Harvey & Moeller, 2009:284).

2.7.5.2. Strategies utilised to overcome/limit the challenges of performance appraisals

A variety of techniques may be used in order to reduce and/or eliminate the challenges that are experienced with regard to effective performance management of expatriates (Nielsen & Hunter, 2013:118). These include:

- **Setting outcome-based expectations:** MNEs must ensure that expatriate managers are aware of the outcomes against which they will be evaluated. Therefore, the enterprise must define a strategy with operational, measurable outcomes and objectives which can be used to set expectations and drive the performance of the expatriate manager (Appelbaum, Roy & Gilliland, 2011:573; Nielsen & Hunter, 2013:118).
- **Avoid distorting behaviour:** MNEs must do their utmost to counter any distorting behaviour by the rater or the instrument used to evaluate the expatriate manager. Measures should be reviewed regularly to ensure that they are balanced, and IHRM should be keenly aware of the fact that performance information will be produced and used by individuals with vested and diverse interests, which may be reputational, financial or otherwise (Nielsen & Hunter, 2013:118). One must also note, especially with regard to the appraisal of expatriate managers, that in most instances the rater has a very limited time in which to observe and rate the assignee's performance; in some instances, the rater may not even observe the assignee in the host country directly. Therefore, in the light of this, one of the more reliable sources of evaluation information would be the expatriate's subordinates, especially as these subordinates frequently observe the manager and are therefore in a better position to give accurate feedback to IHRM. It should be noted, however, that the performance evaluations given by subordinates may themselves be subject to rating biases, such as stereotyping, leniency and status differences (Appelbaum *et al.*, 2011:573; Shay & Tracey, 2009:405). Appelbaum *et al.* (2011:573) also suggest that the expatriate and representatives from the MNE headquarters, specifically the individual responsible for conducting the evaluation, have regular meetings and provide each other with frequent and consistent feedback. This would go a long way towards developing the relationship between them, as well as building elements of trust; and would also enable the rater to glean a more comprehensive understanding of the issues and challenges faced by the assignee which would impact on his or her performance.

- **Avoid blocking behaviour:** MNEs should strive to ensure that they do not drift from utilising a flexible performance management system, one which takes cultural differences and host-country factors into consideration, into rigid compliance management, where measurement and appraisals are used solely to drive expatriate managers and subsidiaries to meet targets and optimise production processes, at the expense of innovation, in response to emergent phenomena and environmental influences. Performance management systems should be flexible and take situational aspects of the host country into consideration (Appelbaum *et al.*, 2011:574; Nielsen & Hunter, 2013:119).

2.8 REPATRIATION

Repatriation is seen as the opposite to expatriation, and involves the move of the international assignee back to the parent company and country from the foreign assignment (Ball *et al.*, 2010:580; Briscoe & Schuler, 2004:251). The repatriation process is often overlooked by MNEs due to the misconception that repatriation should be easy, because, after all, the individual is ‘coming home’. This, however, is generally not the case, and research suggests that expatriate managers experience reverse culture shock (Ball *et al.*, 2010:580; Bender & Fish, 2000:132; Briscoe & Schuler, 2004:251; Stroh *et al.*, 2011:682).

2.8.1 Reverse culture shock

The overseas experience is generally challenging, highly developmental for the expatriate and gives the individual great exposure, as he or she is a representative of the MNE headquarters and is therefore looked up to for perspective and assistance. Also, because the compensatory practices of most MNEs reward the expatriate, the expatriate manager and family typically live very comfortably in the host country, often better than they would be able to live in the home country. These factors typically result in the expatriates returning to the home country feeling excited and eager for the MNE to make use of their skills and knowledge acquired while on assignment (Briscoe & Schuler, 2004:251; Gooderham & Nordhaug, 2003:311). Generally, however, reverse culture shock is experienced, which stems from three factors (Gooderham & Nordhaug, 2003:311):

- The need for the returnee to adjust to changes which have meanwhile taken place in the work environment
- The need to adjust to changes in the social environment
- The adjustment needs of the returnee's spouse and children

2.8.1.1 The work environment

Gooderham and Nordhaug (2003:311) report that within the work environment there are two sources of readjustment problems for repatriates. The first is a sense of loss of professional status, whereby the repatriate may find that colleagues who did not take international assignments have been promoted, and there may not even be a properly defined or relevant re-entry job awaiting the returnee. This is reflected in figures stating that some 68% of managers were unsure of their re-entry position prior to returning to the home country, and 77% believed that the expatriate assignment had actually resulted in demotion (Ball *et al.* 2010:580; Briscoe & Schuler, 2004:312). The second issue that relates to the repatriates' work environment concerns the fact that the independence and status which they enjoyed as expatriates and senior figures in the subsidiary are greatly reduced on their return to headquarters. These work-related concerns commonly result in one out of every five successful expatriates wanting to leave the MNE when they return home (Gomez-Mejia *et al.*, 2010:576; Gooderham & Nordhaug, 2004:312).

2.8.1.2 The social environment

One aspect of repatriation is that the manager and family may typically encounter a drop in their standard of living. Also, the expatriates had expected to encounter changes when they travelled abroad on their expatriate assignment, but by and large they do not expect to find changes when they return home. Furthermore, repatriates find that their foreign experiences are not appreciated by their immediate social circle (Briscoe & Schuler, 2004: 251; Gooderham & Nordhaug, 2003:312).

2.8.1.3 The spouse and children

The returning spouses may experience difficulties in finding a job, especially if they were not employed in the host country, and therefore resuming their careers may be challenging. Also,

children, especially teenagers, may find it difficult to reconnect with peer groups (Ball *et al.* 2010:580; Gooderham & Nordhaug, 2003:312).

2.8.2 Repatriation strategies

The extent of the reverse culture shock felt by the returnee and the family varies depending on the number of years spent abroad, the nature of the foreign location and also on whether or not the MNE has repatriation programmes in place (Briscoe & Schuler, 2004:251; Gooderham & Nordhaug, 2003:313; Stroh *et al.* 2000:682). A variety of strategies may be utilised by the MNE in an effort to reduce the reverse culture shock experienced by the returnee, and such strategies are also undertaken in an effort to reduce the rate of turnover among repatriates (Gooderham & Nordhaug, 2003:313; Pattie, White & Tansky, 2010:363).

2.8.2.1 Career planning

Due to the fact that many expatriates feel as if their careers have been side-tracked and that they have received no benefit from working in a foreign country for an extended period of time, and that many of their domestic counterparts have been promoted within the enterprise in their absence, it is important that the MNE strives to ensure that the aspect of career planning for repatriates is considered. This is achieved by ensuring that the expatriate's first job upon re-entry builds and expands upon the individual's international knowledge and expertise. Career planning for repatriates may involve carefully assessing the newly acquired international skills of the repatriate, and drawing up a framework through which the enterprise will benefit through utilising this knowledge, as well as further developing the repatriate's skills (Collings *et al.*, 2011:19; Pattie *et al.*, 2010:362; Reiche & Harzing, 2009:9).

2.8.2.2 Repatriate agreements

Pattie *et al.* (2010:363) state that assigning repatriates to jobs with broad responsibilities demonstrates managerial confidence regarding the fit between the MNE's needs and the repatriate's new international knowledge and skills. Therefore, by appointing the repatriate in a manner which makes use of his or her breadth of skills may help overcome feelings of career blockage and underutilisation (Reiche & Harzing, 2009:9).

2.8.2.3 Recognition

Formal recognition by the MNE headquarters of the value of the international work completed by the repatriate sends an important message, not only to the repatriate, but also to all employees within the MNE. This formal recognition enhances the repatriate's credibility, competence and status within the enterprise. Vehicles for such formal recognition may be simple initiatives such as a homecoming reception or reference in an enterprise newsletter; all of which are relatively inexpensive but highly effective means of acknowledging and rewarding repatriate employees (Pattie *et al.*, 2010:364; Xiangmin, Ren & Zhao, 2010).

2.8.2.4 Connectivity mechanisms

Connectivity mechanisms assist in keeping expatriates in touch with the MNE headquarters. The need for such mechanisms arises because many expatriates lose contact with headquarters while on assignment, and this can often make repatriation more difficult. Various connectivity mechanisms include (Pattie *et al.*, 2010:364):

- Home-office mentors (Collings *et al.*, 2011:20)
- Visits home during the international assignment (Collings *et al.*, 2011:20)
- Regular updates on changes that occur at headquarters (Xiangmin *et al.*, 2010)

2.8.2.5 Repatriation assistance

Various forms of repatriation assistance may be offered to the returnee in order to reduce concerns that the repatriate may have, and facilitate the readjustment of individuals as quickly as possible. Various repatriation assistance strategies include (Pattie *et al.*, 2010:364; Rizwan & Azhar, 2013:158):

- **Pre-return training:** this form of training essentially informs the expatriates of any structural changes which may have taken place within the MNE, as well as any changes that the assignees will face upon return, together with their new role within the enterprise. This pre-return training indicates an enterprise's commitment to the employee, and an understanding of the difficulties that may be experienced upon repatriation.
- **Logistical support:** most MNEs provide logistical support to expatriates when they commence their international assignments; however, often enterprises choose not to provide such support on their return, as it is assumed that repatriates should be easily assimilated

upon return to their home country. This can therefore cause additional stress and difficulties for the expatriate and the accompanying family. Therefore, in order to aid in the repatriation process, the MNE should make a concerted effort to provide logistical support to the assignee, helping with the transportation of belongings and finding suitable housing for the repatriate within the home country.

2.8.3 The importance of successful repatriation

The importance of successful repatriation cannot be overestimated, especially if the MNE is to benefit from the huge investment involved in sending the international assignee abroad and facilitate the global transfer of knowledge to its own benefit. Successful repatriation means that the expatriate acquires career and personal payoffs from the overseas experience and that the MNE enriches itself through the addition of the international competencies of the repatriated employee (Bender & Fish, 2000:133). This therefore means that the experiences and knowledge that the expatriate possesses need to be applied in the best interests of the MNE's international business strategy and also the individual's overall career. It is important to note, however, that, as stated previously, expatriates are often 'let down' upon their return, and are faced with an enterprise that does not know what the person has accomplished over the past several years while abroad, as enterprises too often fail to reward or recognise the new skills and knowledge that the employee possesses (Bender & Fish, 2000:133; Briscoe & Schuler, 2004:251). This leads to a high turnover rate among repatriated employees and therefore results in a tremendous loss of money, as well as valuable knowledge to the MNE if, upon return, the expatriate leaves the enterprise (Bender & Fish, 2000:133; Gooderham & Nordhaug, 2003:313; Stroh *et al.* 2000:682).

In addition to the risk of losing a hugely valuable asset and investment, if the repatriation process is not managed correctly, the treatment of repatriated employees has a great influence on other domestic employees' willingness to take on expatriate assignments in the future. Employees and prospective expatriates expect to see that repatriates are treated with respect by the parent enterprise and that they are offered a challenging assignment that makes use of their newly acquired skills, as well showing that their international experience is valued in the home office as well as across the MNE. However, if this is not the case, and repatriation does not meet the

expectations of potential expatriates, it may cause great reluctance on their part to accept foreign assignments in the first place (Bender & Fish, 2000:134; Gupta *et al.* 2012:10, Stroh *et al.* 2000:683).

The quality of the repatriation process has a great impact on retaining internationally experienced and knowledgeable employees. It is only the retention and utilisation of such employees and the effective use and application of their experience and skills on additional assignments within the enterprise, both on a domestic and international level, that make the transfer of knowledge and expertise complete and lead to the creation of a learning culture within the enterprise. This will ultimately prove invaluable in the context of the global business environment (Bender & Fish, 2000:134).

2.9 CONCLUSION

The importance of managing and making effective use of an enterprise's human resources cannot be overstated, not only within the local context, but especially with regard to MNEs who employ numerous individuals from diverse backgrounds, and which operate in a global arena. This chapter has highlighted some of the unique challenges and considerations that IHRM must consider if the enterprise is to ensure that its human resources actively contribute to, and help in the attainment of enterprise-wide strategic goals and objectives, as well as ensuring that its diverse human resource base and internationally equipped management team provide a sustainable competitive advantage for the MNE.

The importance of an enterprise's human resources being able to provide sustainable competitive advantage to the MNE was explained through the resource-based view, which holds that for a resource to provide sustainable competitive advantage it must meet the criteria of being valuable, rare, inimitable, non-substitutable and exploitable.

The international strategies pursued by MNEs were examined in relation to the level of cost pressure and pressure for local adaptation faced by the enterprise. These strategies include the international/home-replication strategy, multidomestic/localisation, global and transnational strategies. In conjunction with the available strategies pursued, the sources of international

managers were highlighted, namely, parent-country nationals, host-country nationals, third-country nationals and inpatriates. A third, highly important aspect of IHRM that was analysed was the various staffing policies that are available to MNEs. These include the ethnocentric staffing policy, which is generally utilised by enterprises pursuing international strategies, polycentric staffing, utilised by multidomestic enterprises, regiocentric staffing, employed by MNEs following global strategies, and finally geocentric staffing, which is utilised by global and transnational enterprises.

The use by MNEs of expatriates was explained, together with the high cost of expatriate failure. The recruitment and selection of expatriate staff was analysed, as well as the variety of compensation schemes available for MNEs to utilise. The final aspect regarding IHRM addressed in this chapter was that of repatriation.

CHAPTER 3

FEMALE EXPATRIATES

3.1 INTRODUCTION

With international experience becoming a crucial requirement for an individual's progression up the MNE into top management positions, as well as the development of leadership skills (Altman & Shortland, 2008:200; Connerley, Mecham & Strauss, 2008:300; Makela *et al.*, 2011:256; Paik & Vance, 2002:68; Shen & Jiang, 2011:1), it is essential that women take advantage of the great career opportunities afforded by expatriate assignments. Worldwide, women continue to be an underutilised source of talent as they remain underrepresented relative to their male counterparts (Haslberger, 2007:12; Hutchings *et al.*, 2012:1768; Makela *et al.*, 2011:256), and therefore the progression or advancement of female managers within the global arena has been limited, not only by the traditional barrier of the "glass ceiling", but more specifically through a phenomenon referred to as "the glass border effect" (Altman & Shortland, 2008:200; Gedro, 2010:391; Schearf, 2008:25). A number of barriers to the effective implementation of women in expatriate roles are perceived (Adler, 1984; 1988; 1993; 1994; Gruys *et al.*, 2010:53; Hutchings *et al.*, 2011:1766). However, once these barriers or mindsets have been overcome, female expatriate managers have the distinct capacity to carry out their assignments in a highly effective manner (Adler, 2002:750; Cole & McNulty, 2011:147; Haslberger, 2007:6).

In order to glean a comprehensive understanding of the use of female expatriates in the past, as well as their current representation, a thorough analysis of existing literature was undertaken, with a focus on exploring the reasons for their underrepresentation in the past, as postulated by Adler's 1984 study. Additional aspects of female expatriate assignments were also explored, including the issue of "glass borders", work-life balance, and the accompanying spouse, as well as advantages which are pertinent to the use of female expatriates specifically.

3.2 REPRESENTATION OF FEMALE EXPATRIATES

Surveys by numerous academics, and even a relatively shallow review of existing literature, reveal that most expatriates are men (Adler, 1984:67; Adler, 1994:24; Altman & Shortland, 2008:200; Briscoe & Schuler, 2004:248; Gruys *et al.*, 2010:53; Haslberger, 2007:12; Jelinek & Adler, 1988:14; Makela *et al.*, 2011:256). Adler's 1984 ground-breaking study highlighted the underrepresentation of female expatriates, specifically within the US and Canada, and reported that of the 13 388 expatriates identified from 686 US and Canadian enterprises, only 3% were women (Adler, 1984:67). This underrepresentation is especially noteworthy since, at that time, women made up almost half the US workforce and occupied approximately 28% of all managerial and administrative positions, although as recently as the mid-1980s women represented only 5% of top executives (Jelinek & Adler, 1988:12). This picture has changed only slightly over more recent years. With many MNEs realising the value of women and the significant role they play in conducting business abroad, women are being exposed to more international assignments, although the number of female expatriates is still limited, with percentages of expatriate samples ranging from 5% to 15%, as opposed to 95% to 85% of males (Makela *et al.*, 2011:256). Similar statistics are reported by Gruys *et al.* (2010:53), with female expatriates representing a mere 3% to 23%, as well as findings by Hutchings *et al.* (2011:1763), with women expatriate managers remaining underrepresented at approximately 20% of international assignees, although these authors do note that more women are being posted from the US, Europe and parts of the Asia Pacific region, while 98% of expatriate managers from Japan are still male (Hutchings *et al.*, 2011:1763).

Information regarding the use of female expatriates by South African MNEs is limited; however, the statistics which are available mirror those of other nations for which more data is available. Mathur-Helm's study (2002:20), which was based on 25 South African MNEs, reported that only six enterprises had sent women abroad on expatriate assignments. Moreover, women did not hold high enough management positions within most of these MNEs to even be considered for expatriate assignments. Additional evidence that illustrates the underrepresentation of female expatriates by South African MNEs may be gathered from another study, where 63 expatriates were studied, with 56 being male and only seven female (Vogel, 2006:138). Therefore, although studies highlighting the use of female expatriates by South African MNEs are limited, the

information that is available clearly points to their underrepresentation and is hence in concord with other international statistics.

Although the representation of female expatriates by South African MNEs is low, it is important to consider the representation of women in South African business and government in general, in order to glean a more comprehensive understanding of the drive with which women are being promoted within the country. According to figures released in 2009, South Africa ranked third, at 45%, behind Rwanda (56%) and Sweden (47%), for the highest representation of women in parliament (Bathembu, 2009; Mballo, 2009). More recent statistics show that, according to the Inter-Parliamentary Union (2013), South Africa ranks eighth out of 189 countries, with 42.3% female representation in a lower or single-house parliament and 32.1% female representation in an upper house or senate. One must note, however, that this percentage does not include the 36 special rotating delegates appointed on an ad-hoc basis, and therefore all percentages given are calculated on the basis of the 54 permanent seats in the South African parliament (Inter-Parliamentary Union, 2013).

Within the South African business sector, women currently hold 27% of senior management positions, beating the global average of 20% (Hern, 2011; SouthAfrica.info, 2013). The percentage of privately held businesses in South Africa that have *no* women in senior management positions has shown a decline, from 27% in 2009 to 23% in 2011; this compares with the global average, which rose from 35% in 2009 to 38% in 2011 (Hern, 2011). The 2013 Grant Thornton International Business Report (IBR) on Women in Business reveals that just over 25% of the top decision-making roles in South Africa are filled by women (Grant Thornton, 2013). Also highlighted in this 2013 IBR survey was the fact that there has been a significant increase in the number of Chief Financial Officer (CFO) positions held by women, with figures increasing by 128%, up from 14% female CFO representation in 2012 to 32% in 2013 (Grant Thornton, 2013; SouthAfrica.info, 2013).

Therefore, we can see that the South African government is making headway in ensuring that there is adequate female representation within parliament, and the private sector could certainly imitate this. Although efforts are being made to increase the number of women in top management positions, as has been highlighted previously, in many respects South Africa still lags behind the rest of the world. Figures for 2011 show that only 3% of companies surveyed had

a female CEO, which is 5% lower than the global average of 8% (Hern, 2011; Tholo, 2012; Wealth Wise Magazine, 2013). Moreover, as highlighted in the 2013 Grant Thornton IBR survey, the percentage of women in senior management positions has remained stagnant for the past five years, and 21% of South African businesses still have no female representation in top management (Grant Thornton, 2013). Additionally, it has been reported that in 2013 only 15% of board members in South Africa were women, compared with 19% globally and 26% in BRIC economies (George, 2013; Grant Thornton, 2013). Another disturbing statistic is that, according to the IBR survey, only one in six women hold senior positions in JSE-listed companies (Grant Thornton, 2013; Wealth Wise Magazine, 2013). This is echoed by other findings that only eight of South Africa's top 25 companies by market capitalisation have women occupying more than 25% of their executive management positions (Tholo, 2012).

The underrepresentation of women in management positions within the private sector should have been addressed by the Employment Equity Act, No 55 of 1998, which aims to promote equity and equal opportunity and fair treatment in employment through the elimination of unfair discrimination, and to redress the disadvantages experienced by designated groups, with women being included in these designated groups. However, although the Employment Equity Act has been in place for a number of years, women still, as we have seen, remain underrepresented within top management (Grant Thornton, 2013; Tholo, 2012).

In a more recent drive to promote women in the public and private sector, the South African government is aiming to ensure a 50% representation of women in senior management positions, through the implementation of the Bill on Women Empowerment and Gender Equality (WEGE), which was presented by the Department of Women, Children and People with Disabilities (George, 2013; Goko, 2013). The purpose of the new bill is to establish a legislative framework for the empowerment of South African women and to implement gender mainstreaming. The bill aims to encourage the recognition of the economic value of the roles of women in various sectors of life, and seeks to ensure a 50/50 representation of women in decision-making structures in both the private and public sectors. It may be implemented as early as 2015 (Aronsson, 2012; George, 2013; Goko, 2013).

3.3 ASSUMED BARRIERS TO FEMALE EXPATRIATION

The low representation of women in international assignments may be due largely to several assumptions that are widely held. Landmark research conducted by Adler (1984, 1988, 1993, 1994) provided a strong foundation for further studies regarding female expatriate managers (Altman & Shortland, 2008:202; Gruys *et al.*, 2010:53; Hutchings *et al.*, 2011:1766); she attributed the underrepresentation of female expatriate managers to three widely held assumptions or “myths”. These are (Adler, 1984:30):

- Complexities of prejudice towards women in the foreign location
- Long-standing corporate resistance to sending females abroad on assignments
- Misconceptions about women managers’ lack of interest in international assignments

More recent research regarding additional barriers to the use of female expatriate managers also suggests, as potential barriers, a lack of support from the MNE concerned, as well as a lack of social or family support, family conflicts and the issue of the trailing spouse (Briscoe & Schuler, 2004:248; Hutchings *et al.* 2011:1766).

3.3.1 Foreign prejudice towards female expatriates

Some managers believe that sending women abroad as the representative for the MNE on an expatriate assignment would offend the host-country nationals, as the status of foreign women is believed not to be equal to that of men (Adler, 1984:75; Gruys *et al.*, 2010:53; Makela *et al.*, 2011:257). Foreign prejudice against women was the most frequent explanation (83.6%) given by respondents in Adler’s (1984) survey on the scarcity of female expatriate managers. This may be due to the belief that in cultures where it is not customary for females to work, female expatriate managers may be faced with barriers such as male subordinates refusing to follow the leadership of a female, which would make conducting business and socialising in the host country very difficult for the expatriate manager (Altman & Shortland, 2008:204; Briscoe & Schuler, 2004:248; Hutchings *et al.*, 2011:1766).

Despite this widely held perception about foreign prejudice, those female managers who do undertake expatriate assignments report that they do not experience prejudice, even in countries

which are believed to be openly hostile towards women (Adler, 1988:17; Altman & Shortland, 2008:204; Hutchings *et al.*, 2008:374). This may be because although these cultures were male dominated in the past, they have since greatly increased the number of female managers within their own country and are thus more open and accepting towards foreign female managers. Also, many cultures which are male dominated accept foreign female managers because they are regarded firstly as managers, and only secondly as female, therefore earning the respect of male colleagues and supervisors (Adler, 1988:17; Adler, 1993:5, Hutchings *et al.*, 2008:374).

One of the regions with the most negative perceptions with regard to female expatriates and perceived prejudice is the Middle East; however, in certain areas within the Middle East such as the United Arab Emirates (UAE), Western female expatriate managers are pursuing interesting and dynamic professional careers (Harrison & Michailova, 2011:625). In 2007 the population of the UAE comprised over 80% expatriates, with Westerners broadly defined as individuals from Western Europe, the US, Australia and other non-South East Asian groups, which represented approximately 500 000 expatriates. With the increase in expatriate assignments to countries such as the UAE, it is interesting to note that despite the widespread perceptions of the Muslim Arab society of the UAE being inhospitable to females, Harrison and Michailova (2011:640) report that female expatriates are able to complete their assignments there and actually enjoy working in that cultural environment.

Therefore the most widely stated reason for MNEs not selecting females for expatriate assignments, namely that that they will be exposed to prejudices in the host country due to their gender, and will consequently experience difficulties in both the work and social contexts of the host country, is incorrect. Female expatriates, in fact, often report that they experience certain advantages based only on their gender, such as greater visibility (Adler, 1988:17; Adler, 1993:5, Harrison & Michailova, 2011:625 Hutchings *et al.*, 2008:374). This advantage, as well as others which female expatriates have reported, will be analysed further in subsequent sections of this chapter.

3.3.2 Corporate resistance

A second barrier which is believed to be faced by women when seeking international expatriate assignments is that of corporate resistance, and the refusal of managers to select females for

expatriate assignments (Adler, 1994:30; Gruys *et al.*, 2010:53; Jelinek & Adler, 1988:13; Makela *et al.*, 2011:257). Adler (1984) suggested that a majority of the disadvantages faced by female expatriates involved the lack of organisational support. This lack of support within the work environment relates to a negative perception by their male colleagues, as well as an unsupportive corporate attitude towards the idea of female expatriates in general. Hutchings *et al.* (2011:1766) make reference to the “coffee machine selection process”, whereby it is suggested that not all enterprises have formal selection processes for expatriate assignments; informal processes, such as tapping people on the shoulder, tend to favour men, as those in the ‘old boys’ network’ choose people similar to themselves. Therefore, without the presence of formal selection procedures within the MNE, managers may not be required to select the best candidate for the international assignment. As a result, enterprises may be under-utilising women as potential human resource talent (Hutchings *et al.*, 2011:1767).

This reluctance to send females on expatriate assignments is clearly illustrated by Adler’s (1984) initial study, which found that 60% of managers working for MNEs in Europe said that even though they personally believed that women could be successful overseas, they would be apprehensive about assigning a woman to head a MNE subsidiary, owing to resistance from superiors, subordinates, colleagues and clients (Adler, 1984:75; Gruys *et al.*, 2010:52). This lack of placement of females in expatriate positions results in there being no proven track record for female expatriates, which has heightened the fear of risks involved in sending women on expatriate assignments (Schearf, 2008:38). Schearf (2008:38) adds that 42% of women reported that expressing their interest in expatriate assignments was an important factor in their being offered the assignment. It is generally assumed by management that men are interested in expatriate positions, but research indicates that women must directly express their desire to assume an expatriate position in order to be considered for an international assignment.

As mentioned in Chapter 1, this unwillingness to send females abroad on foreign assignments has led to the development of a phenomenon known as the “glass border effect” (Altman & Shortland, 2008:200; Gedro, 2010:391; Schearf, 2008:25). This term, as defined by Gedro (2010:391), denotes the persistent underrepresentation of females in international assignments, and therefore the resulting lack of women in senior management positions (Insch, McIntyre & Napier, 2008:19; Schearf, 2008:20). The glass border effect, which inhibits the representation of

female expatriates in foreign assignments, is indeed similar to the extensively recognised phenomenon of the “glass ceiling”, which refers to the barriers faced by women wishing to attain higher and more senior positions within an enterprise, as well as a higher salary (Insch *et al.*, 2008:19; Schearf, 2008:20; Tharenou, 2010:74). Altman and Shortland (2008:200) explain how these two concepts are linked, whereby “the phenomenon of a subtle, although systematic and engendered discrimination against women, which became known as the glass ceiling was ‘translated’ into international assignments as the glass border, whereby the glass border seems to be reinforcing the glass ceiling and vice versa” (Insch *et al.*, 2008:19).

3.3.3 Misperceptions about lack of interest from female managers

A third barrier faced by women seeking international assignments is the belief that women are not interested in pursuing international assignments (Adler, 1984:70; Adler, 1994:30; Gruys *et al.*, 2010:53; Hutchings *et al.*, 2012:1767; Makela *et al.*, 2011:257). Adler’s primary study investigated male and female MBA students from Canada, the US and Europe, and concluded that females were equally as interested in pursuing foreign assignments as their male counterparts (Adler, 1984:70).

This belief that women are not interested in expatriate assignments is believed, in some part, to stem from the fact that, if women did express reluctance to undertake expatriate assignments, it was not due to a lack of interest in the assignment itself, but rather due to family obligations (Hutchings *et al.*, 2012:1767). This is explained further by Makela *et al.* (2011:261), who state that women are willing to expatriate; however, the influence of certain family factors inhibits the ability of most women to transform their willingness into an international job search as compared with men. This results in women’s expatriating less for work purposes than men do. Other reasons which are believed to be linked to the assumption that women are not interested in pursuing international careers include the notions that (Adler, 1984:8; Kollinger, 2002:1246; Shortland, 2011:273):

- Women turn down expatriate assignments because the roles are stereotyped as male dominated roles.
- Women are not interested in relocating.

- Women do not want to move their families.
- There are concerns over the spouse's inability to secure a job in the host country.

Therefore, although this belief that women are not interested in applying for and undertaking expatriate assignments can be established as a myth, it is important to note that, in most cases, those women that do turn down international postings do so because of strong family and/or social commitments, and not because of a lack of interest in the assignment (Shortland, 2009:370).

3.3.4 Lack of organisational and social support

The lack of support, both organisational and social network support, available to female expatriates has also been identified as a significant barrier for women pursuing international careers, as well as their willingness to take on additional assignments following negative experiences (Altman & Shortland, 2008:207; Fischlmayr & Kollinger, 2010:458; Hutchings *et al.*, 2012:1767). Research suggests that women are disadvantaged in that they tend to be excluded from informal interactions of mentoring and networking. Moreover, considering the fact that there are fewer women working internationally, there are therefore fewer women available to act as mentors for those that are selected for international assignments (Hutchings *et al.*, 2012:1767; Insch *et al.*, 2008:27; Lovelace & Chung, 2010:753).

3.4 WORK-LIFE BALANCE

3.4.1 International assignments and work-life balance

A person's work-life balance refers to the manner in which the individual combines work and private lives, as one's work life can influence one's private life and vice versa (Cegarra-Leiva, Sánchez-Vidal & Cegarra-Navarro, 2012:92; Makela *et al.*, 2011:258). Fischlmayr and Kollinger (2010:456) define it as a form of inter-role conflict in which the role pressures from work and family are mutually incompatible in some respect. Therefore, when the role conflict between these two spheres is minimal, and the individual is happy and does well at work as well as at home, the situation is known as having a good work-life balance (WLB) (Fischlmayr &

Kollinger, 2010:458; Lyness & Judiesch, 2014:98; Makela *et al.*, 2011:258). The WLB of expatriates is important, especially since the nature of international assignments, the various locations, immersion in foreign cultures and distance from the home country, have been found to have negative effects on international assignees (Fischlmayr & Kollinger, 2010:458; Makela *et al.*, 2011:258). Previous studies have also indicated that gender differences and gender-role issues are factors to consider in the WLB of international assignees, especially regarding stress levels in men and women, as well as female expatriates' unequal contribution to domestic activities through 'second shifts' and blurred boundaries between their international assignment's work and home life (Cabrera, 2009:3; Lyness & Judiesch, 2014:99; Makela *et al.*, 2011:258; Sullivan & Mainiero, 2007:13).

This role conflict experienced by many female expatriates can be associated with West and Zimmerman's (1987) study regarding gender where the term 'doing gender' was coined. Here West and Zimmerman (1987:126) argue that gender is an achieved status, constructed through psychological, cultural and social means; and where 'doing gender' involves a combination of "socially guided perceptual, interactional and micro political activities that cast particular pursuits as expressions of masculine and feminine nature" (West & Zimmerman, 1987:126). Thus role conflict may occur as a result of the female expatriate having to balance the demands of pursuing an international career and possibly being the breadwinner of the family (a masculine role), with society's expectation that as a female she should also be responsible for the roles of homemaker and child minder (Risman, 2009:83; West & Zimmerman, 1987:143).

There are a number of reasons why international assignments can prove challenging to expatriates and influence their WLB. These challenges include (Baruch, Dickmann, Altman & Bournois, 2013: 2384; Fischlmayr & Kollinger, 2010:458; Makela *et al.*, 2011:259):

- An increase in the breadth of responsibilities for expatriates as compared with their domestic counterparts, since expatriates often work in smaller units, in a less developed work environment and often at a higher organisational level.
- The very nature of the foreign work environment is different and may be more challenging than their work environment in the home country.

- Cultural differences between the home and host country mean that assignees have to adjust their thinking and behavioural styles, and may also cause adjustment issues.

International assignments also present widespread challenges of external adjustment to the new living conditions and cultural dynamics. If the assignee's family has accompanied him or her, then this relocation of the whole family unit will affect the family as well as the assignee. Therefore, both spouse and children must adapt to the new country, and become accustomed to new schools, accommodation, climate and social life, among many other changes. This adjustment may be especially difficult in that the assignee receives support from the MNE and local colleagues; while the travelling spouse and family often do not receive equivalent support (Fischlmayr & Kollinger, 2010:548; Makela *et al.*, 2011:259). These challenges that the assignee will encounter in both home and private life may impact on the successful adjustment of the expatriate and his or her work. Therefore, it is important that the assignee manages this work-life interface, especially when international assignments cause challenges in both spheres simultaneously (Baruch *et al.* 2013: 2384; Makela *et al.*, 2011:260).

3.4.2 The work life balance of female expatriates

Many female expatriates, despite having a spouse and a family, choose to undertake international assignments and relocate their family to the host country. Therefore, although they do experience significant challenges with regard to managing their WLB, many remain positive about the effect that their exposure to foreign assignments will have on their careers (Cole, 2012:313; Fischlmayr & Kollinger, 2010: 459; Makela *et al.*, 2011:261).

Many female expatriates undertake what are referred to as 'double shifts', whereby they are found to be mainly responsible for practical household issues such as grocery shopping and taking care of the home and raising the family, even when facing the demands of a new international job. Even those female assignees without children report that managing relationships with spouses proved challenging, especially in terms of whose career takes priority (Cabrera, 2009:10; Fischlmayr & Kollinger, 2010:459; Makela *et al.*, 2011:261). Cole (2012:312) reports that in a study of 3300 dual-career couples, the importance of the partner's career and employment prospects were important in the decision regarding whether or not to accept the foreign assignment as regards 83% of male partners, but only 67% of female partners.

Adler (1994:39) supports this by stating that in dual-career couples, most women thought it was critical that they discuss the possibility of an international assignment with their spouse long before it became a reality, and that they discussed options that would work for both of them as a couple. Cole (2011:1506) reports that over 90% of female expatriates stated that the success or failure of their international assignment was directly related to the happiness of their spouse.

In many cases the male spouses may find it difficult to follow their wives abroad, not only because of their potential loss of income and employment, but also because of greater difficulty in gaining acceptance within the host country, since in many cultures the male being the 'homemaker' and being the 'secondary breadwinner' is not socially acceptable (Cole, 2012:312; Fischlmayr & Kollinger, 2010:459). Since the majority of accompanying spouses are female, male accompanying partners do not have a large support network of other male spouses to whom they can relate. These men may be considered as atypical and may experience self-esteem issues if they do not contribute financially. Additional challenges faced by male accompanying spouses include (Cole, 2012:310; Fischlmayr & Kollinger, 2010:459):

- Lack of recognition of foreign qualifications
- Lack of available jobs
- The fact that if employment is found, it is often at a lower level than in the home country
- Developing a new support system

It is important to highlight these challenges, many of which are specific to male accompanying spouses and relate to the reversal of the stereotypical role of the male breadwinner, because they have an impact on the female expatriate's WLB. This is especially true if the accompanying male spouse experiences severe loss of self-esteem and self-worth, which may result in depression and other health problems, ultimately contributing to stress and discomfort within the family, and possibly resulting in the premature return of the expatriate and failure of the assignment (Cole, 2012:312; Fischlmayr & Kollinger, 2010:459).

It is important to note, however, that although female expatriate managers may experience difficulties regarding WLB, and may have to juggle numerous work and family responsibilities while on assignment, in some cases their expatriate status inadvertently helps to solve some of

the role overload problems experienced. This may be illustrated by the fact that most expatriate managers can afford household/domestic help while on assignment, which they might be unable to afford in their home country, and therefore are able to substantially reduce certain demands on their time (Adler, 1994:39).

3.5 HIGHER LEVELS OF FEMALE EXPATRIATE ADJUSTMENT

A number of studies report that women are in fact very successful when they undertake expatriate assignments, and in some cases are believed to possess qualities which enable them to adjust faster than men in the host country (Adler, 2002:750; Gruys *et al.*, 2010:54; Hasleberger, 2007:12; Jelinek & Adler, 1988:16). The many advantages attributed to being a female include having greater visibility within the host country. In addition, women's inherent ability to be more nurturing has been linked to females forming closer relationships with host-country nationals, as well as possessing better negotiation and network development skills, which aid her to adapt more quickly to aspects in the new culture, as well as new business outlooks, than male expatriates (Adler, 2002:750; Connerley *et al.*, 2008:301; Gruys *et al.*, 2010:510, Hutchings *et al.*, 2008:373, Koveshnikov, Wechtler & Dejoux, 2013:14).

There are various statistics that illustrate the success of female expatriates, as far back as Adler and Jelinek's (1988:16) study, in which 97% of North American women described their expatriate assignment as successful, with numerous MNEs deciding to send a second female abroad following the success of the first assignees; in most cases the pioneer women were offered subsequent international assignments. This specific study went on to prove that of those who reported a successful assignment, 42% reported that being female had proved more advantageous to their assignment (Adler & Jelinek, 1988:16). More recent studies support these findings, with female expatriates exhibiting the same general adjustment levels as male expatriates, but with higher levels of work adjustment and better interaction adjustment. Thus being female actively contributed to their better adjustment, both overall and in areas of building and maintaining relationships with host-country nationals, thus helping them make a success of their assignment (Cole & McNulty, 2011:147; Haslberger, 2007:6).

The greater rate of cultural adaptation among female expatriates can be attributed to a number of factors, or professional advantages, which specifically accrue as a result of their gender. These include (Schearf, 2008:29):

- **Shock value:** in cultures where female managers are rare, the shock value of working with a female expatriate manager makes HCNs perceive the woman as highly competent, due to the fact that she has been selected for the assignment (Gruys *et al.*, 2010:510).
- **Oddity:** the fact that female expatriate managers are rare in some countries allows them to be more easily noticed and remembered within the corporate environment, therefore giving the MNE an element of competitive advantage (Cole & McNulty, 2011:147; Hutchings *et al.*, 2008:373).
- **High visibility:** this aspect of being highly visible is linked to the advantage of female expatriates being perceived as oddities. This increased visibility within the host country may result in greater client curiosity about the expatriate manager and a desire to meet and do business with her, as well as helping the client to remember her (Adler, 1994:33; Cole & McNulty, 2011:147; Paik & Vance, 2002:70).
- **Greater motivation:** Because women generally experience greater difficulty in being selected for international assignments (especially in the light of the misconceptions about their willingness to take on assignments, as well as the foreign prejudice they will face), once selected for international assignments, women may be more committed to making the assignment work than their male counterparts.
- **Greater levels of emotional intelligence:** Women are believed to possess higher levels of emotional intelligence (EI) than men. Emotional intelligence refers to the capabilities, competencies and skills which influence an individual's ability to cope with environmental demands (Koveshnikov *et al.*, 2013:4; Saberi, 2012:13). Women are better than men at perceiving nonverbal emotional cues, as well as being more adaptive to various stressors, more willing to seek help from others and to use emotion-focused strategies where appropriate (Hasleberger, 2007:12; Koveshnikov *et al.*, 2013:4). Therefore, as EI relates to expatriation, these higher levels of emotional intelligence possessed by female expatriates may allow the assignees to adapt to the host environment more rapidly and fully than their

male counterparts, allowing female expatriates to learn more quickly once in the host country, and be more confident in establishing and maintaining relationships in the host environment (Koveshnikov *et al.*, 2013:14; Selmeur & Leung, 2003:132).

3.6 SELECTING FEMALE EXPATRIATES BASED ON GLOBAL LEADERSHIP COMPETENCIES

Due to the dynamic nature of conducting work over a number of diverse locations, with subtle differences in culture and the accompanying challenges of managing a workforce with assorted cultural backgrounds, expatriate managers, and female expatriate managers in particular, must possess certain managerial competencies which allow them to perform optimally and take advantage of the global business platform (Connerley *et al.*, 2008:302; Hasleberger, 2007:12; Rockstuhl, Seiler, Ang, Van Dyne & Annen, 2011:826). It has been suggested by numerous authors that female assignees possess certain competencies which enhance their cross-cultural adjustment and help them to perform their expatriate assignment optimally (Adler, 2002:750; Gruys *et al.*, 2010:54; Hutchings *et al.*, 2008:373; Koveshnikov *et al.*, 2013:14), as was discussed in section 3.5 of this chapter. In an attempt to identify those competencies which prove most valuable in expatriate assignments and global careers, a questionnaire referred to as the Prospector (Spreitzer, McCall & Mahoney, 1997) was developed which measures high potential competencies for international executive positions. The 14 competencies measured by the Prospector questionnaire, which are believed to predict an assignee's level of global competency, include (Downes, Varner & Hemmasi, 2010:238; Connerley *et al.*, 2008:302; Spreitzer *et al.*, 1997:13):

- **End-state competencies:** These include the individuals' sensitivity to cultural differences, their broad-based business knowledge, courage to take a stand and their ability to bring out the best in people. Also included under end-state competencies is the individuals' capacity to act with integrity and insight, their willingness to take risks, and their commitment to success.

- **Learning-orientated competencies:** These include the individuals' ability to use feedback constructively; being culturally adventurous; seeking new opportunities to learn; being flexible; seeking feedback; and being open to criticism.

The Prospector uses a seven-point Likert-type response scale to measure these 14 competencies, which are then used to help IHRM to gain insight into the strengths and developmental needs of potential international assignees. It is also a self-assessment tool whereby employees who wish to undertake expatriate assignments in the future can assess their readiness (Downes *et al.*, 2010:238; Connerley *et al.*, 2008:305).

Connerley *et al.* (2008) conducted a study that aimed to investigate the role that gender plays in supervisors' ratings of candidates' global leadership competencies. They also investigated individuals' self-rating of global leadership competencies, as well as expatriate readiness and job performance, in an effort to ascertain the reasons for the underrepresentation of female expatriates. Connerley *et al.* (2008:308) found that supervisors rated women significantly lower than men on only two leadership competencies, these being "Open to criticism" and "Seeks broad-based business knowledge"; and they rated women significantly higher than men with regard to "Seeking opportunities to learn". Also, although women were not rated significantly lower than men on their current job performance, they were consistently rated lower than men on perceptions of expatriate readiness (Connerley *et al.*, 2008:308, Johnsson & Lennbro, 2008:9).

Another interesting highlight in this study related to the gender of the supervisor, and the influence that the supervisor's gender had on the ratings given to subordinates. Here, male supervisors rated male subordinates significantly higher than females on five dimensions (Seeks broad based business knowledge; Is open to criticism; Committed to making a difference; Learns from mistakes; and Expatriate readiness); and lower than females on only one dimension (Seeks opportunities to learn). As stated, the finding that male supervisors rate female employees lower than men with regard to expatriate readiness could have major implications for future expatriate assignments, given that the majority of higher-level supervisors, those most likely to make expatriate selection decisions, are male (Connerley *et al.*, 2008:311; Johnsson & Lennbro, 2008:22).

Interestingly, female supervisors did not rate male and female subordinates significantly differently on any of the dimensions tested (Connerley *et al.*, 2008:308, Johnsson & Lennbro, 2008:22). With regard to self-assessment, Connerley *et al.* (2008:309) reported that women rated themselves lower than men on a number of dimensions, including Seeks broad-based business knowledge; Committed to making a difference: Bringing out the best in people, and being Open to criticism; also, in accordance with supervisors' ratings, women rated themselves higher than men on only one competency, Seeks opportunities to learn (Connerley *et al.*, 2008:309).

3.7 ADDRESSING FEMALE EXPATRIATE CHALLENGES

Female assignees face a myriad of challenges, not only in overcoming the misconceptions about female expatriates, and actually being selected to undertake an international assignment, but also in dealing with the difficulties faced by female expatriates in managing their WLB, while taking on a new international job as well as the typically female domestic roles of managing a household and caring for a family. Therefore, it is essential that support mechanisms be implemented for dual-career couples and to address the family-related concerns of female assignees (Hutchings *et al.*, 2012:1768).

3.7.1 Mentoring and MNE support for female expatriates and accompanying spouse

One of the primary ways in which these various challenges may be minimised is through the implementation of strong mentoring programmes during all phases of the female manager's expatriation experience, not only to give guidance on cultural and host-country specific matters, but also on maintaining a suitable WLB (Harvey, McIntyre, Hearmes & Moeller, 2009:1356; Harvey, Napier, Moeller & Williams, 2010:214; Inch *et al.*, 2008:27; Fischlmayr & Kollinger, 2010:470; Shortland, 2009:373). Mentoring programmes are hugely influential in facilitating learning and knowledge transfer across enterprise boundaries, as well as stimulating learning among female managers worldwide (Harvey *et al.*, 2009:1358).

By implementing institutionalised programmes and processes within the MNE which are aimed at the effective mentoring of female expatriates, these mentoring programmes would greatly help the assignee to adjust to the expatriate experience and develop self-efficiency in culturally

challenging situations at a level of global responsibility. They would also provide advice and support, not only to the female expatriate, but to the accompanying male spouse/partner, at both a professional and personal level; thereby reducing the stress and conflict which pose difficulties for the female assignee in maintaining an effective WLB (Harvey *et al.*, 2010:214; Shen & Jiang, 2011:14). The development of self-awareness and effective social skills will enhance the development of social networks, and may be used in conjunction with formal and informal mentoring programmes. These strategies are likely to reduce expatriate stress and increase the likelihood that the female expatriate manager will prove successful in her assignment. Effective post-assignment strategies should also be considered in order to retain the female managers and utilise the immense amount of international knowledge and experience they have gained, to the benefit of the MNE. Essentially these post-assignment, or repatriation, strategies include effective career management for the assignees, as well as mentoring and building female repatriates into role models to inspire other women to take on expatriate assignments and pursue rewarding international careers (Gruys *et al.*, 2010:70; Insch *et al.*, 2008:27; Shortland, 2009:373).

It is also very important that support be provided by the MNE to the accompanying male spouse. Support aspects in this regard may include helping the male partner to find and connect with his peer group, as well as providing information which helps the male partner in getting started with finding employment in the host country. Employers of female expatriates have a genuine opportunity to attract and retain female expatriate managers by ensuring that the needs of their partners are met. This is especially true in the light of the high rate of refusal of expatriate assignments due to dual-career concerns. A small investment by the MNE in ensuring that the accompanying spouse is assisted has the potential to provide a strong return for the MNE in the form of a high number of successful female expatriates (Cole, 2011:322; Fischlmayr & Kollinger, 2010:471).

3.8 CONCLUSION

This chapter focused on the representation and use of female expatriates specifically. Aspects regarding the underrepresentation of females in international assignments were discussed, with

numerous studies being used to illustrate the fact that women are underrepresented, not only in those nations which traditionally have made use of large numbers of expatriates, such as the US, Canada and Japan, but also in South Africa. In an attempt to understand this underrepresentation within South African MNEs, it was necessary to briefly analyse the role and drive of the South African government in the promotion of women within South Africa, as well as the representation of females within government and the private sector.

The body of this chapter focused on examining Adler's assumed barriers, or myths, to female expatriation. These barriers include foreign prejudice towards women, corporate resistance (including aspects relating to the glass ceiling and glass border phenomenon), misperceptions about lack of interest by female managers, and finally a lack of enterprise and social support made available to the assignee. Another important element of female expatriation which was investigated was that of the work-life balance of the expatriate. Here, gender role issues, double shifts, dual-career couple considerations and issues relating to the male accompanying spouse were evaluated.

Evidence was provided to support the notion that female expatriates exhibit higher levels of cross-cultural adjustment due to gender-specific advantages such as greater visibility, higher levels of emotional intelligence and inherent ability to be more nurturing, and therefore are better at developing and maintaining relationships with host-country nationals. Additionally, a selection tool known as the Prospector, which is used to assess global leadership competencies and expatriate readiness, was studied. The influence of the supervisor's gender on the assessment of male and female candidates was highlighted.

Finally, this chapter concluded with a brief synopsis of the policies and practices which should be implemented within MNEs in order to increase the representation of female expatriates, as well as increasing their level of assignment success, and retention within the enterprise upon repatriation. Such practices include the development of mentoring programmes, career management, role-modelling and the provision of extensive assignment support, not only to the female assignee, but to the accompanying male spouse, to ensure that female expatriates are successful in their international assignments.

CHAPTER 4

RESEARCH METHODOLOGY

4.1 INTRODUCTION

Research methodology, as explained by Leedy and Ormrod (2010:12), refers to the general approach taken by the researcher in carrying out the research project; in some cases, the approach selected can dictate the particular tools the researcher utilises. Research tools differ from research methodology in the sense that a research tool refers to a specific mechanism or strategy used by the researcher to collect, manipulate and interpret data (Leedy & Ormond, 2010:12). Saunders *et al.* (2006:595) define research methodology as the theory of how research should be done, including the theoretical and philosophical assumptions upon which the research is based and the implications of these for the method or methods adopted.

This chapter discussing the research methodology of the study will focus on various aspects relating to the technical procedures followed and choices made when designing and implementing the data collection instrument, as well as in the analysis and interpretation of the collected data. Specifically this chapter will discuss the following aspects of the study:

- Problem statement and objectives
- Research design
- Data collection
- Data analysis
- Limitations of the study

4.2 PROBLEM STATEMENT AND OBJECTIVES

In order for the study to have a clear focus and direction, the actual problem which is being investigated should be clearly articulated and formed into a problem statement or problem definition. This then allows the researcher to set specific project objectives. Therefore, both a well-defined problem statement and research objectives afford the researcher a greater chance of collecting the data that is necessary and relevant to the study and that ultimately addresses the problem statement (Cooper & Schindler, 2008:583).

4.2.1 Problem statement

A problem statement or problem definition refers to the process of defining and developing a decision statement and the steps involved in translating it into more precise research terminology, including a set of research objectives (Cooper & Schindler, 2008:101; Zikmund *et al.*, 2013:654).

As discussed in previous chapters, numerous authors have reported the underrepresentation of females in expatriate positions within MNEs (Adler, 1984:67, Adler, 1993:3, Altman & Shortland, 2008:200; Hutchings *et al.*, 2008:373). That is, there is an acknowledged lack of female expatriates worldwide, especially with regard to U.S., Japanese- and European-based MNEs. This underrepresentation of females has been postulated, over the years, to result from a number of reasons, including the belief that female employees are not interested in pursuing foreign assignments due to family considerations, their perceived cultural role as home-makers, and the stereotype that expatriate assignments are male-dominated roles. In addition, the aspect of corporate resistance to sending a female employee on an expatriate assignment, as well as the associated pressures which would be experienced from male colleagues, clients and supervisors are some of the reasons believed to encourage this underrepresentation. Another factor which contributes to this underrepresentation of female expatriate managers is the belief that the expatriate will be subjected to varying degrees of foreign prejudice from host-country nationals (Adler, 1984:8, Adler 1993:12, Shortland, 2011:273).

It is encouraging to note that in recent years the numbers of female expatriates have shown an upward trend, although the numbers still remain far below those of their male expatriate counterparts (Haslberger, 2007:2; Munz & Ratajczak, 2007:34). This gradual increase may be

due to a number of factors, including the rise of dual-career couples and women now actively expressing their desire to work abroad, and an increased awareness of foreign cultures where female expatriate managers are accepted by the host country, as they are seen as highly competent individuals and are not subjected to intense foreign prejudice. Moreover, the success of pioneer female expatriates has certainly stilled sceptical MNEs' fears about the effectiveness of females working in culturally diverse and challenging locations, and this success has certainly encouraged more female employees to pursue international careers.

It is interesting to note, as discussed in Chapter 1, that the underrepresentation of female expatriates appears to hold true for South African MNEs as well with male expatriates greatly outnumbering female expatriates. This underrepresentation of female expatriates is highlighted in a study by Mathur-Helm (2002:20) who reported that of the 25 South African MNEs studied; only six had assigned female expatriates. Additionally Vogel *et al.*'s (2008:138) study reports a male dominance of 89% within the South African expatriate population. Although these studies confirm the underrepresentation of female expatriates within South African MNEs, data showing why female employees are underrepresented remains scarce (Mathur-Helm, 2002:19).

4.2.2 Research objectives

As this study addresses the problem of the underrepresentation of female expatriates by South African MNEs, the research question this study focused on was to ascertain why female expatriates are underrepresented within South African MNEs.

Therefore, with the research question in mind, the following propositions were investigated:

Proposition 1: The majority of expatriates sent on international assignments by South African MNEs are male.

Proposition 2: Female employees are not as interested in undertaking expatriate assignments as their male counterparts.

Proposition 3: There is corporate resistance to selecting female employees for international assignments in South African MNEs.

Proposition 4: Due to foreign prejudice South African MNEs are hesitant to send female employees on international assignments.

Proposition 5: The upward career mobility of female employees within South African MNEs is enhanced by exposure to expatriate assignments.

4.3 RESEARCH DESIGN

The research design refers to the master plan, which specifies the methods and procedures for collecting and analysing the needed information (Cooper & Schindler, 2008:83; Zikmund *et al.*, 2013:64) in an effort to investigate the stated propositions. The following sections will briefly discuss the chosen research design including elements of research design classification as well as case selection.

This study may be classified as a formal research study as it focused on answering the propositions that were stated after a comprehensive literature study was conducted. As this study attempted to investigate the reasons for the underrepresentation of female expatriates, which entailed describing the characteristics of a population or phenomenon, this research can be classified as a descriptive study. Additionally, this study was cross-sectional in nature, as it was conducted only once, and depicted the current representation of female expatriates by South African enterprises. Finally, this study was case-study based, in that, through the use of interviews and interpretation of interview data, five propositions were analysed using qualitative techniques. Inferences about South African MNEs were drawn, based on the characteristics of the cases which were analysed. Fieldwork was conducted through personal semi-structured interviews with the expatriate managers of the enterprises.

4.3.1 Why use cases?

According to Yin (2009:4), the distinctive need to utilise case studies arises out of a desire to understand complex social phenomena; essentially, making use of case studies allows researchers to retain the holistic and meaningful characteristics of the real-life events, such as individual life cycles, behavioural dynamics of small groups, and organisational and managerial processes. Additionally, as case studies are typically carried out in close interaction with

practitioners, and they deal with real management situations, case studies represent a methodology that is ideally suited to creating knowledge that is relevant to current business practitioners (Gibbert, Ruigrok & Wicki, 2008:1465). It is also suggested that case studies be utilised when the population is difficult to reach (Guest *et al*, 2006:61) and therefore an in-depth analysis of fewer population elements may be conducted. In this study, a case-study based approach was chosen due to the difficulty experienced by the researcher in contacting a sufficient number of expatriate managers for a quantitative study utilising self-administered questionnaires. The difficulty in contacting expatriate managers was further compounded by the researcher's strict selection criteria: that the enterprises chosen for the study had to be South African MNEs; their headquarters had to be within South Africa; and also that their primary listing, if they were listed, had to be on the JSE. Finding sufficient MNEs which met these criteria, and whose expatriate managers were willing to take part in the study, proved futile for the purposes of a quantitative study. Therefore, it was decided that a multi-case study approach be implemented and in-depth personal interviews be conducted with expatriate managers of selected South African MNEs that met the above criteria.

4.3.2 Case selection

The researcher selected six industries within the South African economy and then, through an analysis of these industries, identified two MNEs who made use of expatriates within each industry. Once an enterprise was identified by the researcher which could be classified into the selected industry, as well as meeting the previously discussed criteria, the researcher gained access to the enterprise through a series of steps. This process involved contacting the enterprise's head office (either via telephone or email) and asking to be referred to the expatriate manager. Once the researcher was successfully referred to the correct party, the researcher (either via telephone or email) gave a brief description of the purpose of the study and ascertained if the individual would be willing to participate. A convenient date and time for an interview was then arranged.

It was deemed necessary that two cases be analysed from each industry in order to allow comparisons to be drawn within each industry as well as across industries. The industries from which MNEs were selected for the purpose of this study included:

- Mining
- Agriculture, Fishing and Forestry
- Fast Moving Consumer Goods (FMCGs)
- Transport and Logistics
- Telecommunications
- Financial Services

This study utilised a multi-case holistic design, meaning that it contained more than one single case, and is considered to be holistic in nature as each individual case was studied in its entirety, with a further analysis across the multiple cases (Yin, 2009:56). A report was compiled for each individual case indicating how and why a particular proposition was demonstrated (or not demonstrated). This analysis was also drawn across the multiple cases.

4.3.3 Number of cases

As it is believed that sampling logic, a quantitative consideration, should not be applied to case studies since they are qualitative by nature, the general criteria related to sample size should also not apply to case-study based research (Yin, 2009:58). As a result, Guest *et al.*'s (2006:66) guidelines regarding the number of cases that are deemed to be sufficient for multi-case designs was adopted. According to these guidelines, an analysis of 12 cases is sufficient, since data saturation is generally reached at this level; provided that participants are homogeneous and that a consistent interview structure (and content) be followed throughout.

Therefore, in accordance with this accepted guideline, this study analysed 12 cases. These cases were drawn from the six industries mentioned above, with the strict application of the mentioned criteria, namely that all 12 cases be based on South African enterprises headquartered in South Africa, have primary listings on the JSE (if listed) and utilise expatriates. These criteria ensured that the cases were homogeneous in nature.

4.4 DATA COLLECTION

Personal interviews were utilised in order to allow the researcher to collect the data. These interviews were guided conversations, whereby the researcher followed a consistent line of enquiry throughout the interview, but the actual stream of questions was flexible rather than rigid, thus allowing the respondent/interviewee to openly answer the interviewer's questions, adding and expanding on their answers to supply the researcher with ample information to allow a holistic and comprehensive analysis to be conducted. Table 4.1 provides a brief outline of the interview statistics, specifically highlighting the longest and shortest interview, as well as the number of industries which were covered in the study. The total length of all 12 interviews was 3 hours 48 minutes and 25 seconds, with the longest interview lasting 41 minutes and 26 seconds and the shortest interview lasting 11 minutes and 22 seconds.

A case-study protocol was utilised by the researcher in order to ensure that all 12 interviews were conducted in a consistent manner, with exactly the same procedure being followed for each interview. Essentially this protocol included a brief introduction about the purpose of the research, which was explained to interviewees, followed by a brief assurance as to the confidentiality of the interview and all information gleaned from the said interview. This protocol also instructed the researcher to set up and test the recording device utilised, as well as instructions to time the interview (Refer to Appendix A). During the interview, the researcher made notes regarding subjects' responses on this document.

The actual questions put to the interviewees, which were included in the interview protocol, were grouped into six sections, starting with three basic introductory questions covering the enterprise-specific information. Following this were five separate sections of questions, each relating to a specific proposition being studied. Each of these five sections had one primary question, covering a broad aspect of expatriate research, which the interviewee was asked, followed by a number of additional probing questions (relating to the primary question) which were then put to the interviewees should they not have addressed said points in their initial answer to the primary question (refer to Appendix A and B). Additionally, a final set of questions investigating the MNEs' current/future intentions of promoting the use of female expatriates were asked of participants after the initial interviews. Participants responded to this set of questions via email or telephonically, whereupon the researcher immediately made note of

their responses (refer to Appendix C). These additional questions did not relate specifically to any of the stated propositions, but were asked in order to glean an insight into the future of female expatriation within South African MNEs.

Table 4.1: Interview statistics

Description	Quantity
Total number of interviews conducted	12
Number of industries	6
Total length of all interviews	3:48:25
Shortest interview	0:11:22
Longest interview	0:41:26

4.5 DATA ANALYSIS

4.5.1 Validity

There are numerous criteria used to assess the rigour of field-research methods, including case studies. As stated previously, this study may be classified as a descriptive study. Therefore, in order to assess the validity of such a study, the elements of construct validity and external validity need to be addressed (Gibbert *et al.*, 2008:1466; Yin, 2009:40).

4.5.1.1 Construct validity

Construct validity should be considered during the data collection phase, and refers to the extent to which a study investigates what it claims to investigate; that is, the extent to which a procedure leads to an accurate observation of reality (Gibbert *et al.*, 2008:1446). Yin (2009:40) defines construct validity as the identification of correct operational measures for the concepts being studied. Construct validity is addressed through the construction of a clear chain of evidence to allow readers to see clearly how the researcher progressed from the initial research question to the final conclusions (Gibbert *et al.*, 2008:1446; Yin, 2009:41). Additionally,

construct validity may be enhanced through the use of multiple sources of evidence (Yin, 2009:41), this is referred to as ‘triangulation’ and is the process whereby researchers adopt different angles from which to look at the same phenomenon by using different data-collection strategies and different data sources (Gibbert *et al.*, 2008:1468). The draft case study report may also be reviewed by key informants to improve construct validity (Yin, 2009:41).

For the purpose of this study, construct validity was ensured by showing a clear progression from the initial research question and stated propositions to the final conclusions drawn. Also, triangulation was utilised through the assessment of archival data (journal reports) and interview data, while all transcripts and drafts of this study were reviewed by an academic specialising in the field of business management and expatriate studies, reinforcing the aspect of construct validity.

4.5.1.2 External validity

External validity refers to defining the domain to which the study’s findings can be generalised (Gibbert *et al.*, 2008:1468; Yin, 2009:40). That is, can the findings of the study be generalised beyond the immediate case study? Critics typically state that single cases, or indeed select cases for multiple case analysis, are a poor basis from which to generalise results. This criticism, however, stems from survey research, which relies on statistical generalisation; whereas case studies rely on analytical generalisation. Analytical generalisation differs from statistical generalisation in that with analytical generalisation the researcher attempts to generalise a particular set of results to some broader theory (Yin, 2009:43). External validity may be strengthened through the use of cross-case analysis, whereby cases from different types of enterprises are used (Gibbert *et al.*, 2008:1468). This is clarified further by Eisenhardt (1989:537), who suggests that a cross-case analysis of four to ten case studies is sufficient to provide a good basis from which to generalise results. Additionally, researchers are advised to provide a clear justification for the case-study selection, as well as sufficient detail regarding the case-study context to allow the reader to appreciate the researchers’ sampling choices (Gibbert *et al.*, 2008:1468).

For the purpose of this study, external validity was ensured through the selection of multiple cases from a broad grouping of industries. This study analysed twelve cases, from six industries

of the South African economy, so as to allow the results to be generalised across multiple industries. The sample of MNEs may be considered homogeneous since all 12 enterprises made use of expatriates, were of South African origin and were headquartered in South Africa, as well as having their primary listing on the JSE (if listed).

4.5.2 Reliability

The reliability of a study involves demonstrating that the operations of the study, such as the data-collection procedures, can be repeated with the same result (Gibbert *et al.*, 2008:1468; Yin, 2009:40). This essentially means that if a later researcher followed exactly the same procedure described by an earlier researcher, and conducted the same case study(ies) again, the later researcher should arrive at the same findings and conclusions. In order to ensure reliability, it is imperative that the procedures followed be thoroughly documented, so as to allow future researchers to duplicate the research. This may be achieved through the use of a case-study protocol and the development of a case-study database (Gibbert *et al.*, 2008:1468; Yin, 2009:45).

4.5.2.1 Interview/Case study protocol

The case-study/interview protocol is an effective way of increasing the reliability of case study research and guides the researcher in carrying out the data collection from a single case, even if the single case is one of several in a multiple case study. Essentially, the case study protocol is more than a questionnaire or instrument, but is the report which specifies how the entire case study has been conducted (Gibbert *et al.*, 2008:1468). The protocol contains the instrument, but also contains the general rules and procedures to be followed in using the protocol. Moreover, the protocol is directed at an entirely different party than that of the instrument. That is, the protocol is an aide directed to and utilised by the researcher/interviewer to ensure that consistent procedures are followed throughout each interview; whereas the actual instrument consists of the interview questions which are directed to the interviewee. Finally, having a case-study protocol is considered desirable under all circumstances, but is essential if conducting a multi-case study (Yin, 2009:79).

Generally, a case-study protocol should consist of the following sections (Brereton, Kitchenham, Budgen & Li, 2008; Yin, 2009:81):

- An overview of the case-study protocol (substantive issues being investigated, propositions being studied)
- Field procedures (name of sites to be visited, contact persons, ensuring sufficient resources while in the field, preparation prior to and after the interview, letter of confidentiality, explanation of interview procedure to interviewee)
- Case-study questions (these are questions which the interviewer must ensure are addressed during analysis of the case, and are not the questions asked of the interviewee)
- A guide for the case-study report (case evaluation design, expected outcomes, theoretical support)

Please refer to Appendix A for the actual protocol utilised for this study.

4.5.2.2 Case-study database

In order for a case-study database to enforce the reliability of one's study, it should consist of the following components (Yin, 2009:119; Gibbert *et al.*, 2008:1468):

- **Case-study notes:** these may take a variety of forms, such as interview transcripts, observations or document analysis, and may be in a variety of formats, including audio tapes.
- **Tabular Materials:** these materials may include any survey or quantitative data that was collected through the case study.
- **Narratives:** these may be generated upon collection of all the data, and include open-ended answers, generated by the researcher, to the questions in the case study protocol. This is especially useful in multiple-case analysis since it represents the researcher's attempt to integrate the available evidence. The main purpose of such narratives is to document the connection between specific pieces of evidence and the various issues highlighted in the case study.

All components of the case-study database can then be utilised to compile the actual case-study report, or to officially analyse and interpret one's findings.

For the purpose of this study, both a comprehensive interview protocol and a case-study database were compiled during the data-collection phase of the study, as to ensure the reliability of the

study (refer to Appendix B and Appendix C for case notes). In order to protect the identities of respondents and ensure that enterprise specific information be kept confidential, the contact details of respondents may be obtained upon request.

4.5.3 Assimilation of case-study data

Once each interview was conducted, the researcher used the notes made during the actual interview as well as the audio recording of the session, to transcribe each interview. Here an account of each subjects' answers were documented in response to the interview questions. After each interview was transcribed by the researcher, an in-depth report was compiled for each case, which analysed the responses given by the expatriate managers and addressed each proposition, stating why and how evidence was able to be linked to each proposition, or indeed not linked. This was done for each of the 12 cases.

Through the analysis of each individual case, the researcher was able to ascertain common themes and factors which were present in most/all of the cases, as well as those common to certain industries. The researcher then linked these common factors with each of the propositions to which they most related, through the use of a mind-mapping tool (*ConceptDraw Mindmap*) (refer to Appendix D for an example). This therefore allowed the researcher to draw holistic data across all 12 cases, which related specifically to each stated proposition, thus enabling the researcher to address each proposition in a comprehensive manner.

4.6 LIMITATIONS

The major limitation of this study is that only 12 cases were studied. Although this number is judged sufficient (Guest *et al.*, 2006:58), the fact that the results are generalised and deemed to apply to all South African MNEs, may be questioned by some. An additional limitation of this study relates to the nature of certain industries from which the cases were drawn. That is, the Mining and the Agriculture, Fishing and Forestry industries may be deemed to be male-dominated industries, due to the nature of their work, and thus may naturally have fewer female employees available for selection into expatriate positions. Finally, a third proposed limitation to this study involves the level of detail and depth with which interviewees chose to answer

questions. Although most expatriate managers were more than willing to go into detail about their expatriate operations, the researcher would not be aware if certain aspects of the enterprises' expatriate policies and practices were omitted by interviewees. Finally, it is important that the potential for the unconscious bias of managers in creating career blockages for female employees and female expatriate candidates be acknowledged (Vanderbroek, 2010:768).

4.7 CONCLUSION

This chapter discussed the methodology of the research, and conveyed the manner and processes that were put in place to ensure that correct and applicable data was collected. This chapter listed the five propositions that were studied, as well as the problem statement. The research design portion of this chapter discussed the manner in which cases were selected for inclusion in this study, as well as explaining the rationale as to why 12 cases were deemed appropriate to make up this multi-case design.

The chapter discussed the manner in which the data was collected, through personal semi-structured interviews, as well as elements of data analysis, namely those of reliability, validity (construct validity and external validity), case-study protocol and case-study database. The section on data analysis concluded with a brief analysis of the manner in which the data was assimilated through the use of mind-mapping techniques. This chapter concluded with a brief discussion about the various limitations which pertain to this study.

CHAPTER 5

CASE-STUDY REPORTS: ANALYSIS AND INTERPRETATION OF FINDINGS

5.1 INTRODUCTION

As this study is qualitative in nature, utilising a multi-case holistic design, the following chapter presents information in the form of detailed case reports, which were drawn from the fieldwork portion of this study; that is, through the conducting of 12 interviews with industry-specific South African MNEs which made use of expatriates. The 12 case reports are grouped according to their specific industry; these being Mining; Logistics; Agriculture, Fishing and Forestry; FMCGs; Telecommunications and Finance. Each report follows a standard presentation, which consists of a brief company background, followed by a discussion of the demographic characteristics of the MNE's expatriates. This is then followed by an analysis of information gathered regarding the aspects of female employees' willingness to undertake expatriate positions, corporate resistance, foreign prejudice towards female expatriates, and the upward career progression of repatriates, ending with the enterprises' current/future intentions to promote female expatriation.

The detailed case reports are followed by an examination and integration of facts across the 12 cases, in which a holistic study was conducted of the cases in their entirety. In order to maintain the aspects of confidentiality, of which interviewees were assured, no enterprise names or names of expatriate managers are mentioned.

5.2. MINING INDUSTRY – ENTERPRISE A1

5.2.1 Enterprise background

This enterprise (A1) is a leading developer, producer and supplier of commercial explosives, initiating systems and blasting services for mining, quarrying and construction markets throughout Africa and Indonesia. Established in 1896, A1 has grown to become one of the world's leading suppliers of explosives and initiating equipment. With headquarters in

Johannesburg, South Africa, and being listed on the Johannesburg Stock Exchange (JSE), A1 has approximately 6000 employees globally, and comprises 16 businesses, complemented by production facilities and offices throughout Africa, and select regions within South East Asia, Europe and South America.

5.2.2 Demographics of expatriates

A1 currently has 50 expatriates assigned to numerous countries throughout Africa. These countries include Egypt, Ghana, Tanzania, Zambia, Botswana, Namibia and Mozambique, Burkina Faso, Mali and Guinea Bissau. Expatriates are also assigned to Chile and Indonesia. Of these 50 expatriates, 47 are male and 3 female, this representing a 94% to 6% split in the gender of the company's expatriates. One of these three female expatriates fulfils a technical role in Indonesia and the other two female employees fulfil financial roles in Tanzania and Burkina Faso.

A1 generally selects technical staff and middle- or upper-management personnel for expatriate assignments; with technical staff being assigned to the host country for a period of three to five years, after which they are repatriated back to the home country. Middle- and upper-management personnel, however, are assigned indefinitely to the respective host country. This is due to the fact that the individual is sent to the host country to become a senior manager within that country. Additionally, this enterprise finds that it experiences great difficulty in finding a position, at senior management level, for the individual should he or she wish to return to the home country; and most will not return to a lower position than that which they occupied in the host nation. Therefore, most of these expatriates in management positions will either choose to remain in the host country on assignment, or will undertake a subsequent posting to another country where they can retain or advance their management level within the enterprise. Because of the indefinite nature of these assignments, most expatriates, if married, are accompanied by their spouse/partner and family. Also, it is very important to A1 that the family unit be maintained, and management encourages the support given to the expatriate by his or her spouse and family while on assignment.

5.2.3 Willingness of female employees to undertake expatriate assignments

Very few female employees express a willingness to undertake expatriate assignments. That is, for every 50 men who express a desire to embark on an expatriate assignment, one woman will express her interest. Therefore men are seen to be more interested in expatriation than their female counterparts. This may be due to the nature of the company and industry, since this enterprise does work within the mining sector and thus, by extension, has fewer female employees from which to draw female expatriates.

Of interest was the fact that the reasons given by men and women for turning down an expatriate assignment with A1 were the same. These were various family considerations, such as inadequate schooling available for their children in the host country, or children who were currently at university, and the fact that neither male nor female employees wanted to break up the family unit unnecessarily. Also, assignments were turned down if either the employee or the spouse did not like the host country and felt they would have difficulty adapting and settling within the host nation. Finally, both male and female employees cite the importance of their spouse's career and salary as reasons for turning down expatriate assignments; and the fact that many couples and family units are dependent on the dual income generated by both parties, and although the expatriate is remunerated handsomely while on assignment, they still may not be able to maintain their current lifestyle if one of the parties cannot work in the host country and they are dependent on a single income.

5.2.4 Corporate resistance and expatriate selection

In the past, expatriate candidates were selected from within A1. This is no longer the case, since the pool of qualifying individuals within the company has been severely depleted because of expatriates remaining on assignment, and the loss of talent from South Africa in general due to emigration. Thus it is difficult to source expatriates from within A1's South African operations, and from the South African labour pool in general. Therefore, today the enterprise sources its expatriates from a global database of individuals who are mobile and willing to undertake assignments. This includes sourcing individuals from A1's global subsidiaries. Management within the company then approaches the most suitable individual(s) and offers them an assignment.

A1 conducts interviews with the prospective expatriate, negotiating remuneration packages and discussing the basic elements of the assignment; and ‘look-and-see’ visits are encouraged for the expatriate and accompanying spouse. Medical examinations of the expatriate and accompanying family members are also conducted. This, however, is the full extent of A1’s selection procedure, and the level of preparation and support offered by the enterprise. It is important to note that management acknowledges that it is currently doing the bare minimum in terms of preparation, training and support of its expatriate personnel; however, the company has had a 100% success rate to date, with no failed assignments or premature returns of assignees.

Certain characteristics/competencies are deemed preferable by the enterprise. These do not differ according to the gender of the applicant, with both men and women being encouraged to undertake international assignments. These characteristics include:

- Technical competency
- Adaptability
- Willingness to work in harsh conditions

5.2.5 Foreign prejudice and expatriate assignments

A1 management does not perceive foreign prejudice towards its female expatriates in any of its current subsidiary locations, or indeed any location to which the company may wish to expand in the future. Generally the basic security situation within the host country is assessed with regard to the expatriate’s safety. This is applicable to all expatriates, irrespective of gender.

5.2.6 International experience and upward career mobility

International experience is definitely considered important if an individual wishes to move up within the enterprise, especially within managerial levels. Although there is no formal policy stating such, it is openly encouraged. Expatriates who return to the home country are often promoted, with their international experience, if successful, counting favourably towards their promotion within the enterprise.

5.2.7 Current/future intentions to promote female expatriates

A1 currently has no plans to increase or promote the number of female expatriates within its enterprise. This is because, as it stands now, A1's expatriate selection programme has no bias against the selection of females; however, few female employees tend to apply due to the nature of the industry and the demographics of the enterprise.

5.2.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- The majority of expatriates assigned by A1 are male, 94% being male assignees. This high percentage of men may be due to the nature of the mining industry; that is, the fact that more men are employed within this industry than women; and also the demographics within the enterprise, where again more men are employed in comparison to women.
- Female employees within A1 express much less interest in undertaking expatriate assignments in comparison with male employees, which, as stated previously, may be due to the fact that fewer women are employed within A1 and the mining industry. In addition, the difficult conditions under which the expatriates are expected to work is another deterrent for female applicants. The reasons for turning down assignments, however, remain the same irrespective of gender. These reasons include various family considerations, a dislike for the specific posting/host country conditions, the loss of dual income and the spouse's career taking priority.
- Although the enterprise has a limited and basic selection, preparation and support programme in place, this has not led to corporate resistance in sending female employees on international assignments, or in a selection procedure which discounts females. The same selection criteria are applied to all candidates, irrespective of gender; with technical competency, adaptability and the willingness to work in harsh conditions being valued competencies.
- A1 does not regard aspects of foreign prejudice towards female expatriates as influencing its willingness to assign female employees to any region where it operates. It does, however, assess the basic security situation within the host country to ensure the safety of any expatriate before the expatriate is assigned.

- Although A1 has no formal policy expressing the importance of international experience to one's career, such experience is certainly encouraged and is an important consideration in terms of one's promotion within the enterprise. Therefore, female employees should actively consider undertaking expatriate assignments if they wish to improve their career prospects.
- A1 has no current or future intentions to promote the use of female expatriates within its enterprise due to the fact that its expatriate programme is not a gender-based initiative.

5.3. MINING INDUSTRY – ENTERPRISE A2

5.3.1 Enterprise background

This enterprise (A2) is a South African headquartered company which is listed on the JSE. It operates within the mining sector, and is the sole dealer of CAT earthmoving machinery, power systems and other related mining and construction equipment within all of its locations throughout Africa; it employs approximately 5500 people.

5.3.2 Demographics of expatriates

A2 currently has 260 expatriates assigned to numerous countries throughout Africa. These include Namibia, Botswana, Mozambique, Angola, Malawi, Zambia and the Democratic Republic of Congo's (DRC's) Katanga Province. Of these 260 expatriates, only two are females, assigned to Mozambique (manager) and Angola (mechanic). This represents a 99% to 1% split in favour of male dominance in the gender of A2's expatriates. Approximately 80% of the individuals sent on assignment by the enterprise are mechanics, the remaining 20% of assignees representing middle- or upper-management. The fact that the majority of A2's expatriates are mechanics, coupled with the male dominance of the mining industry, accounts for the small number of female expatriates within the enterprise. Of interest, however, is that A2's most highly qualified and skilled mechanic is a female assigned in Angola.

All expatriates, irrespective of their position within the enterprise, are assigned for an initial period of two years, but are expected to extend their assignments and remain in the host country for a minimum of four years. Only those expatriates at managerial level may be accompanied by their spouse/partner. Mechanics are only considered if they are of single status, due to the very

basic living conditions provided on mines in very remote locations, where the enterprise feels that it would be unsuitable for an accompanying spouse or family to be situated for any extended period of time.

5.3.3 Willingness of female employees to undertake expatriate assignments

Female employees within A2 do express their willingness to undertake expatriate assignments; however, their level of willingness is largely dependent on their family life. For example, schooling in Angola costs US\$50 000 per annum (per child), a cost which the enterprise cannot afford to cover, and thus the enterprise chooses not to send women with children of school-going age to Angola as expatriates. Therefore most of the expatriates assigned by A2 are single, with no children.

There are a number of reasons why female employees may turn down an international assignment, which have been given by females in the past. These include security issues within the host country, where the employee does not feel that she would be safe; family considerations such as having dependent children of school-going age; a spouse who does not wish to give up his career; and aged/dependent parents living in the home country. Women may also turn down assignments due to the living conditions within the host country, as is the case in Angola; where expatriates are housed in condominiums which are mainly for single men, which would prove problematic for a single female.

Very few males have turned down assignments for the MNE; however, those that have declined an assignment have done so out of family considerations, such as having small children or the reluctance of their wife to accompany them (in the case of management personnel). The only other reason cited by males for turning down an assignment related to perceptions of inadequate compensation.

5.3.4 Corporate resistance and expatriate selection

Expatriates are drawn from a database of individuals who are willing to take up an assignment. This database is internal. Candidates will only be sourced from outside the enterprise if nobody within the company with the necessary skills is available and willing to accept the assignment. Following the identification of a few suitable candidates, these employees, whether they are

mechanics or management personnel, are subjected to a skills assessment interview and a panel interview, after which the most suitable candidate is selected and negotiations regarding remuneration take place.

Senior management personnel pass through the same initial selection procedure, but they are then sent on a look-and-see visit to the host country. They are accompanied by their spouse/partner, as it is considered critical that the spouse fit into the expatriate territory; the success of the expatriate is largely dependent on the happiness of the spouse. Senior management candidates then have a few weeks to make their final decision on whether or not to accept the assignment.

This selection procedure has no standard time frame, and is largely dependent on the visa requirements for the host country. Finalising the paperwork alone, after the candidate has been selected, takes a minimum of three months.

A2 does not have a preference with regard to appointing men or women as expatriates, as long as assignees have the desired characteristics/competencies required to perform optimally within the host country. Technical/mechanical staff should preferably possess superior technical knowledge and skills; management personnel are required to possess skills relating to diversity management. Diversity management is regarded as being highly important, especially within the expatriate territory. In A2's South African operations, diversity is limited to race, gender and sexual persuasion, but everyone is generally on the same/similar compensation programme. In the host country, however, diversity management includes all of the above, in addition to dealing with a variety of other nationalities (Filipinos, Russians, Portuguese, Israelis, South Africans and HCNs), and the expatriates are on totally different compensation packages from those of the HCNs, which causes a number of issues when managing individuals.

5.3.5 Foreign prejudice and expatriate assignments

The only nations which this enterprise would be apprehensive about sending female expatriates to are Arab nations, due to the sexual discrimination they believe foreign females would be faced with. However, they do not currently operate in any such nations.

Additionally, the only other concern would be the safety of the expatriate; thus A2 is hesitant to send female expatriates to countries where there is war or civil unrest. However, it is important to note that the enterprise has no formal policy against sending females to unsafe regions; ultimately, if the assignee is comfortable and willing to accept the assignment, then she may have the final say. A2 simply feels more protective of its female personnel, and thus management's concern over expatriate safety with regard to gender is more of an informal policy. A2 has no policy against sending single male expatriates into war-conflicted nations, provided the expatriate is comfortable with the safety situation.

This aspect of safety is a much more pressing factor, with a much greater level of risk, if the expatriate, irrespective of gender, is accompanied by the spouse and/or family. For example, up until 2005, the enterprise did not permit married expatriates in Angola due to security concerns. In emergency situations women and children are given preference during enterprise evacuation procedures.

5.3.6 International experience and upward career mobility

The enterprise considers international experience important for individuals' careers within A2. Although it has no formal policy stating that international experience is a requirement, it is definitely encouraged, with many expatriates being promoted soon after returning from their international assignments.

5.3.7 Current/future intentions to promote female expatriates

Currently A2 has no plans to increase the number of female expatriates within the enterprise. This is due to the fact that 80% of their expatriates are mechanics, and female mechanics within the mining sector are rare. Additionally, it is difficult for the enterprise to house single females (if they are mechanical staff), as females cannot be housed in the same compounds as the vast number of single-status male mechanics. Although A2 currently has one female assigned as a manager to Mozambique, the number of females who have attained senior management status within the enterprise and who are eligible for consideration as expatriates are low; generally most females are unwilling to accept assignments due to the harsh conditions experienced in many host countries.

5.3.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- The majority of expatriates (99.2%) assigned by A2 are male. This may be attributed to the nature of the mining industry, which is male dominated, and the fact that 80% of their expatriates are mechanics. Female assignees may also be deterred from expatriate assignments by the challenging living conditions experienced on mining sites within host countries.
- Female employees do express a willingness to undertake assignments; however, this is largely dependent on their family situation, with familial reasons for declining being having children of school-going age or the spouse not wanting to give up his career, and dependent parents or other family members within the home country. Females may additionally reject an assignment offer due to safety concerns within the host country, or the living conditions for single-status females within the host country. A very few males have declined expatriate assignments; citing the same familial reasons as females and reasons of inadequate compensation.
- A2 has a developed selection procedure for expatriate assignments which does not preclude females from being selected, with requirements being the same for both male and female applicants. These required/preferred characteristics include superior technical knowledge and skills for mechanical personnel, and exceptional diversity-management skills for managerial staff.
- The only regions where A2 would be hesitant to send females, due to foreign prejudice, would be Arab territories. A2's major consideration is for the safety of the expatriate, more so for females than males, and travelling spouses and children.
- International experience is regarded as being very important for one's upward career progression within the enterprise, although there is no formal policy stating such. In the light of this, if female employees within the enterprise wish to progress upward within the enterprise, they should pursue opportunities for international experience.
- Due to the harsh conditions of their postings and the nature of the industry A2 does not plan to promote female expatriates in the future. The majority of expatriates who are assigned as

technicians are housed in compounds which are deemed unsuitable for female expatriates. Additionally, 80% of the expatriates assigned by A2 are mechanics and female mechanics within the mining industry are rare.

5.4. TRANSPORT AND LOGISTICS - ENTERPRISE B1

5.4.1 Enterprise background

This enterprise (B1) is a South African based MNE, with headquarters in Durban. It is listed on the JSE and is represented by a number of subsidiaries, joint ventures and associated companies in 37 countries worldwide, employing approximately 7500 individuals across these operations. The enterprise consists of four divisions, namely Freight Services, Shipping, Trading and Financial Services; its primary aim is pursuing a strategy to become a fully integrated freight logistics and shipping service provider.

5.4.2 Demographics of expatriates

B1 currently has 40 expatriates on assignment in numerous African countries, including Mozambique, Sierra-Leone, Zambia, the DRC, Swaziland, Botswana and Zimbabwe. Additionally, B1 also has expatriates assigned to Singapore and Australia. Its expatriates are predominantly male, with only two females currently on assignment. This represents a 95% dominance of male expatriates with only 5% female representation.

Expatriates hold a variety of positions within the enterprise; however, most are at senior management level, but accountants, operational staff and engineers are also assigned as expatriates. Assignments are for an initial period of one year, with expatriates' contracts being renewed each year depending on their performance. All married expatriates are accompanied by their spouse/partner.

Of interest is the fact that B1 has a number of expatriates who have remained on assignment for over 15 years. This is problematic in some ways for the enterprise, because local governments in the various host countries expect local HCNs to have been trained by the MNE by this time, and an HCN should have been employed in the expatriate's position. This often leads to strained relations between the enterprise and host-country government. Additionally, by this time the

expatriate should have been ‘localised’, meaning that he or she should now be on a salary equivalent to that of an HCN at the same level; this, however, does not often happen, since the expatriate leaves the employment of the enterprise if the expatriate compensation package is reduced, and the enterprise then has to fill the position with a new expatriate.

5.4.3 Willingness of female employees to undertake expatriate assignments

Female employees do express a willingness to undertake expatriate assignments; however, few women actually apply, primarily due to the difficult nature of the work, in that expatriates are required to operate in rural locations, and the fact that more men are employed by the company and thus, by extension, fewer women actually apply. Additionally, female employees cite family considerations for turning down expatriate assignments. In the case of B1, only one female has declined an assignment in the past, stating that she did not want to move her children to the international school in Mozambique as they would be unable to participate in certain sporting activities.

Male employees turn down assignments for a number of reasons, including family considerations. Furthermore, some men choose not to accept the expatriate assignment because it is only guaranteed for an initial period of one year, and they do not want to relocate their whole family for that short period of time. A final reason for men declining assignments relates to the age of the applicant; that is, the older they are at the time of the initial posting (closer to retirement age) the less likely they are to accept.

5.4.4 Corporate resistance and expatriate selection

Ideally, B1 prefers to recruit from within the host country; however, if a suitable candidate cannot be found, then an expatriate position is advertised internally to fill the position. This occurs through a process of self-selection. Once a few candidates have applied for the position, they are subjected to various forms of psychometric testing before a final decision is made. In order for an expatriate to be assigned to the host country, B1 must first obtain approval from the government of that country, with a detailed motivation as to why the specific skill must be imported into the host country. B1 will recruit from outside the enterprise only as a last resort. This entire selection process takes approximately three months, depending on the country to which the expatriate is to be assigned.

B1 has no preferences when selecting men or women for assignments, and the desirable characteristics possessed by potential expatriates do not differ according to the gender of the applicant. The enterprise selects individuals who have the MNE's best interest at heart, those who are psychologically ready to undertake the multitude of challenges which present themselves in African countries, and individuals who show a great degree of adaptability to uncertain and unforeseen circumstances.

5.4.5 Foreign prejudice and expatriate assignments

This enterprise chooses not to send female assignees into the DRC, Zimbabwe or northern Zambia for safety considerations. Males may be sent to these high-risk locations, but only once the threat level has been assessed and the assignment is deemed to have an acceptable level of risk.

Females may be assigned to any of the other locations where B1 has operations, as long as the level of risk is deemed acceptable and there is no obvious threat to their security, or the security of their accompanying spouse/family (if applicable).

5.4.6 International experience and upward career mobility

International experience is considered very important to the career progression of individuals within B1. Despite the absence of a formal policy stating such, international assignments and the resulting experience gleaned from them are certainly encouraged.

Although international experience is encouraged, of interest is that none of B1's expatriates have chosen to return from their assignments. The main reason is that once the assignees have completed a few years in the host country, they are either close to retirement age and choose to go into private consulting, or else they know that they will not be able to return to South Africa and occupy a position as high as that which they have attained in the host country.

5.4.7 Current/future intentions to promote female expatriates

B1 currently has no programmes in place which specifically focus on increasing the number of female expatriates. This is because, as stated previously, the enterprise is male dominated, with few females applying for expatriate positions owing to the challenging nature of most

assignments. Additionally, as the enterprise has no preference in selecting one gender over the other for expatriate assignments; and firmly believes in selecting the most qualified individual; as yet it has not instituted any policies which promote female expatriates above males.

5.4.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- The majority of expatriates assigned by B1 are male (95%), which reflects the demographics of the enterprise; therefore fewer females apply for expatriate assignments because fewer females are employed by the enterprise.
- Female employees do express their willingness to undertake expatriate assignments, but this is restricted by family considerations such as schooling. Males, however, turn down expatriate assignments for family considerations, and the fact that the assignment is only initially guaranteed for a period of one year. The closer males are to retirement age, the less likely they are to accept an assignment.
- B1 has developed a selection procedure, based primarily on self-selection, which does not preclude female employees from being considered for assignments. The enterprise applies the same selection criteria to both males and females, with desired competencies/characteristics remaining the same irrespective of gender. These characteristics include the adaptability of the candidates and their psychological 'readiness' to operate in Africa, and having the best interests of the enterprise at heart.
- B1 consciously chooses not to send female employees to the DRC, Zimbabwe or northern Zambia, due to security concerns. No other considerations regarding foreign prejudice influence the secondment of female assignees.
- Although the enterprise does not have a formal policy regarding international experience and upward career mobility, international experience is considered important for an individual's career progression within the enterprise; therefore female employees who wish to progress, especially to top-management levels, should pursue avenues for international exposure.
- B1 does not plan to increase the number of female expatriates specifically, as its expatriate programme currently is not gender specific.

5.5. TRANSPORT AND LOGISTICS – ENTERPRISE B2

5.5.1 Enterprise background

This enterprise (B2) is a South African-headquartered enterprise, listed on the JSE, and is predominantly located in and focused on businesses operating in emerging African markets. B2 has a number of divisions, including a supply-chain solutions division and a passenger transport division, which are the primary focus of its operations, and also a timber and industrial manufacturing division.

B2 manages the supply-chain solutions for another of South Africa's leading logistics operators whose services include transportation, bulk material handling, and warehousing, mining and agricultural services. Additionally it provides freight-forwarding and clearing solutions, and supply-chain consulting. B2 employs approximately 11 000 people worldwide, and is classified as a business operating within the logistics sector.

5.5.2 Demographics of expatriates

B2 currently has 20 expatriates assigned throughout Africa: to Lesotho, Swaziland, Namibia, Botswana, Zambia, Mozambique, Malawi, Tanzania and Madagascar. Of these 20 expatriates, there is one female assignee, who is a regional manager based in Mozambique; thus 95% of the expatriates assigned by the enterprise are male.

The enterprise selects staff members who are currently at middle- or upper-management level, and hold positions as contract or operations managers. Once assigned to the host country, they are promoted and become the managing director of operations within that country. Expatriates are assigned for an initial period of three to five years, and are sent to the host country in essence as 'training managers', tasked with training the HCNs to perform the job to a suitable standard, and passing on the enterprise's values and operating procedures to the HCNs. In theory, this then allows the expatriate to be repatriated back to the home country after a maximum of five years, as he or she would have passed on their skills to the HCNs, who would then be charged with managing the subsidiary. Of interest is the fact that in practice this has proven unsuccessful for B2, and they have not managed to train any HCNs and keep them within the employment of the enterprise. Once HCNs have been trained and are about to become managing directors of the

subsidiaries, they are poached by other MNEs (often from the US) operating within that same host country and offered salary and benefit packages which B2 cannot compete with. This situation then either forces the expatriate to extend the assignment in order to train new HCNs, or else pushes management to assign another expatriate to the host country.

The enterprise prefers that the family unit be maintained, and therefore encourages expatriates to be accompanied by their spouses; however, most expatriates choose to go without their families. This is primarily because of the nature of the postings, in that expatriates initially may be situated in rural areas with very basic accommodation; and also because the spouse may not wish to relocate to that specific host country.

5.5.3 Willingness of female employees to undertake expatriate assignments

Few female employees have shown an interest in applying for expatriate assignments with B2, primarily due to the nature of the assignment, where conditions for the expatriate are challenging, often in rural locations where Greenfield sites are established. If the assignment is to an urban area in a developed city, then female employees show slightly more interest.

Additionally, owing to the nature of the industry, and the fact that in the past fewer females pursued careers within the field of logistics; this means that there are now fewer women with the necessary skills and experience required of expatriate candidates. Therefore, there are currently fewer females for management to consider for expatriate positions.

The reasons given for turning down an assignment, irrespective of the gender of the assignee, relate to family concerns, such as the spouse not wishing to relocate, and inadequate schooling in the host country for expatriate children.

5.5.4 Corporate resistance and expatriate selection

Individuals are chosen for expatriate assignments initially through a process of self-selection; the position is first advertised internally within the enterprise and those interested may apply. Individuals are only approached directly if nobody has volunteered, or if those who volunteered were found to be unsuitable. Expatriates are sourced from outside B2 only as a final resort.

Once an individual has been selected, and after he or she has been interviewed and found suitable, the candidate goes through a series of pre-assignment training exercises, including ‘look-and-see’ visits to the host country, medical examinations, language training and cultural awareness training. All of these are also offered to the accompanying spouse and family. This process usually takes three to four months.

B2 makes no distinction between male and female expatriates in terms of the characteristics they possess which would make them suited to international assignments. These characteristics include, firstly, that the employee is highly competent at the job and will be capable of performing the required tasks while in the host country. Additionally, the candidate should possess good financial acumen, be culturally adaptable and able to be self-sufficient and proactive in solving unforeseen challenges. Although the enterprise will send both males and females on international assignments, it ‘encourages’ males to pursue expatriate assignments because of the nature of the work performed.

5.5.5 Foreign prejudice and expatriate assignments

The enterprise does not regard foreign prejudice as a factor when assigning female expatriates, or in considering them for assignments. Females may be assigned to any of B2’s current locations, barring any safety concerns which she is not comfortable with. Female assignees seem to be more comfortable if posted to an urban centre within the host country.

5.5.6 International experience and upward career mobility

International experience is considered very important if an individual wishes to move up within the MNE. Most, if not all of B2’s expatriates return to occupy higher positions within the enterprise, if their assignment has proved successful. If they are not promoted immediately, they are certainly considered for a promotion as soon as a position is made available. Although the enterprise has no formal policy stating the importance of international exposure to the upward career progression of one’s career, it is openly encouraged. Candidates who turn down an assignment are not regarded highly by management, and management will certainly make this known to the individual.

5.5.7 Current/future intentions to promote female expatriates

B2 does not have any current plans to increase its number of female expatriates. Although it does have an active employment equity policy through which it is actively pursuing its equity gender and race targets, this has not as yet extended to its expatriate programme. The enterprise does not feel the need to promote female expatriates specifically, because its expatriate programme is not a gender-based initiative, and individuals are selected on the basis of willingness to undertake the assignment, experience and business skills, personal circumstances and their attraction to moving to the foreign location. Also, as stated previously, B2's pool of potential female expatriate candidates is small, due to the nature of the industry and the fact that in the past fewer females traditionally pursued careers within logistics, meaning that female candidates with the overall commercial skills and experience required are scarce, but may be more representative in years to come.

5.5.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- Of the expatriates assigned by B2, 95% are male, with only one female expatriate assigned currently. This dominance of male expatriates may be due to the difficult living conditions experienced when establishing Greenfield sites in many African host countries.
- Few female employees show an interest in undertaking expatriate assignments for familial reasons, and their reluctance to live in rural accommodation within the host country. Females show slightly more interest in expatriate assignments if the posting is to an urban city centre. Male employees also cite family considerations for turning down assignments.
- The MNE has a developed and structured expatriate selection programme, initiated through self-selection, and comprehensive preparation and support structures in place. Selection criteria are the same regardless of the applicant's gender; with desired competencies being exceptional work competency, financial acumen, cross-cultural adjustment abilities and a proactive approach to addressing challenges.
- B2 does not consider aspects of foreign prejudice towards female expatriates in any of its current locations. The enterprise does, however, take the safety and security of the

expatriates, male or female, into account before assigning them to any potentially hostile location.

- International experience is considered very important if an individual is to be promoted within the enterprise; and there is certainly pressure from management to accept expatriate assignments. Therefore, if female employees wish to move up within the enterprise, they should actively seek opportunities for international experience.
- B2 has no plans to promote female expatriates in the future, as its expatriate programme is not a gender-based initiative.

5.6 AGRICULTURE, FISHING AND FORESTRY – ENTERPRISE C1

5.6.1 Enterprise background

C1 is an enterprise headquartered in Centurion, South Africa, which specialises in agri-services and industrial food processing. It is listed on the JSE and employs approximately 4000 individuals. C1 has operations throughout Africa and in Western Australia. The enterprise consists of three segments, namely:

- Agri Services: this division represents the major assets and operations of the enterprise, and consists of an equipment division (including a number of John Deere agencies) and a grain management division. Its international investments also form part of this division.
- Foods: this segment includes the enterprise's investments in poultry and industrial food-processing assets.
- Financial Services: this segment provides financial products and services to customers in the primary agricultural sector and food-processing sector.

5.6.2 Demographics of expatriates

C1 currently has 10 expatriates assigned to Zambia, Zimbabwe, Ghana, Nigeria, Congo Brazzaville, and to Mauritius and Perth, Australia. All of these expatriates are male.

Most of the expatriates are technicians, while currently only three expatriates are at middle- to upper-management level, representing the MNE as country managers in Zimbabwe, Zambia and Ghana. The fact that most of their expatriates are technicians, and the fact that C1 operates

within the agricultural industry, which is generally a male-dominated sector, accounts for the 100% male representation in C1's expatriates.

Expatriates are assigned for an initial period of four to five years, followed by one option to renew their assignment for a further four to five years, therefore staying a maximum of ten years in the host country. Most married expatriates are accompanied by their spouse/partner.

5.6.3 Willingness of female employees to undertake expatriate assignments

Although the enterprise currently has no female expatriates assigned, in the past they have had two female expatriates. Females do express a willingness to apply for postings to Mauritius, and both female expatriates were assigned to that host country in the past. However, as most expatriates are technicians, and C1 has very few female technicians, more men apply for expatriate assignments than women. The enterprise is currently in the process of training more female technicians.

Females may turn down an expatriate assignment for two main reasons, these being safety concerns within the host country, and instances where the spouse either does not want his wife to accept the assignment (for safety reasons) or does not wish to accompany her on assignment. Males very rarely turn down expatriate assignments, because the compensation package is so attractive. Compensation packages for expatriates, both managerial and technical staff, include:

- Visas and work permits for expatriates and accompanying spouses
- Medical aid for the expatriate and family
- International schooling for all accompanying children
- Housing
- Transportation for expatriate and spouse
- Good remuneration package
- A guaranteed position within the enterprise, at the same level or higher, upon repatriation of the assignee

In the few instances where men have chosen not to go on assignment, safety concerns have been cited as the reason.

5.6.4 Corporate resistance and expatriate selection

Expatriate positions are initially advertised internally, and suitable candidates are encouraged to apply through an initial process of self-selection. External candidates are sourced only if the position was not filled by an internal candidate. Technical interviews are conducted to ascertain if the employee has the necessary skills to perform the work in the host country. The various conditions within the host country, and the cultural differences, are explained to the candidate. Additionally, the candidate (and accompanying spouse) may go to the host country for a ‘look-and-see’ visit before making their final decision.

This selection process happens very quickly, and candidates can travel to the host country almost immediately after being selected. This is due to the fact that the enterprise has spent a considerable amount of time and effort in establishing relations with and liaising with the host country’s South African embassy and building relations with the government of the host country. C1 places a high focus on helping the host country’s government pursue its objectives, while at the same time achieving its own business objectives within that host country. Additionally, the MNE has also entered into an agreement with ARMSCO, which essentially allows the rapid facilitation of expatriate (and spousal) work permits and visas, which are almost automatically approved. This takes place because, although the expatriates will work for the enterprise in the host country, upon entering the host country they are affiliated to ARMSCO and classified as UN employees for the duration of their assignment.

C1 has no preference as to sending males or females on expatriate assignments and, as stated previously, it is in the process of training more female technicians in order to increase the number of female employees, and promote expatriate assignments among females. The characteristics/competencies which are preferred are the same for men and women; these include:

- A desire to travel and explore new places
- Open-mindedness and a willingness to accept and integrate into the local culture
- Fairness
- Willingness to see themselves as ‘citizens/residents’ of the host country
- Willingness to learn from HCNs as well as teach them

Although C1 does have a selection programme in place, management believes that it could certainly improve upon it, especially by placing more emphasis on a formal induction and acculturation process in order to ensure that the expatriates are fully immersed in and familiar with the host country. This would certainly assist many of the expatriates at managerial level with regard to the protocol that must be followed when working closely with government officials in the host country.

5.6.5 Foreign prejudice and expatriate assignments

Although the MNE has no female expatriates assigned currently, it does not consider foreign prejudice towards female expatriates as a factor when assigning females. Its only concern, which applies to male and female expatriates, is the safety of the assignee while in the host country. Therefore, C1 is hesitant to send any expatriate into hostile locations, especially within Northern Africa or in particular countries such as Sudan and Somalia.

5.6.6 International experience and upward career mobility

This MNE considers international experience very important to the upward career progression of any individual within the enterprise. Although it has no formal policy stating that international experience is a prerequisite for promotion into top management, it is definitely encouraged. This is highlighted by the fact that management does have a formal policy of guaranteeing repatriates a position of equal stature to that occupied in the host country, or promotion, upon the successful completion of their international assignment.

5.6.7 Current/future intentions to promote female expatriates

As the majority of C1's expatriates are technicians, a role which has been male dominated within the enterprise, the enterprise is currently endeavouring to increase the number of female technicians within the enterprise. This is being facilitated through workshops and training programmes where females are taught the necessary skills to become competent in a number of various technical roles, specifically regarding the servicing of equipment. Therefore, as the number of female technicians within C1 increases, by extension the potential pool of female expatriates will also increase. Ultimately the selection of a candidate for an international assignment will remain on a self-selection basis; therefore females will still need to express a

willingness to undertake assignments; however, the enterprise foresees that the number of female expatriates will increase as the number of female technicians grows.

5.6.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- Currently 100% of the expatriates assigned by the enterprise are male. This is due to the nature of the agricultural sector in general, which is generally male dominated; and the fact that most expatriates assigned by the enterprise are technicians, and although C1 is embarking on a programme to train more female technicians, currently it has more male employees in these positions.
- Female employees do express a willingness to undertake expatriate assignments, and in the past management has assigned female expatriates in Mauritius. Although females do express willingness, this is limited by the number of female technicians currently employed by the enterprise. Women may turn down assignments for safety concerns in the host country, and instances where the spouse does not wish to accompany the expatriate. Males turn down assignments for safety concerns; however, this occurs infrequently due to the attractive nature of the expatriate compensation packages.
- C1 utilises a selection programme which does not discount female applicants, and is based on an initial step of self-selection. Although basic cultural differences between the host country and home country are explained to the expatriate, there is certainly a desire, by management, to institute a more formal acculturation programme for expatriates. Management seeks to build good relationships with host-country governments, and has a formal agreement with ARMSCO which facilitates the rapid transfer of expatriates to the host country. Desired competencies for expatriates remain the same irrespective of gender, and include aspects of fairness, open-mindedness, a desire to travel and explore, ability to teach and learn from HCNs and finally a willingness to see oneself as a ‘citizen’ of the host country.
- C1 does not view foreign prejudice towards women as a factor when considering female expatriates for assignment. The only consideration, irrespective of gender, is the safety of the expatriate and therefore the enterprise would be hesitant to send expatriates to hostile locations, especially within the North African region.

- International experience is considered very important for one's upward career progression within the MNE. Although the enterprise has no formal policy stating such, it is definitely encouraged, with expatriates being guaranteed higher-level positions within the enterprise upon repatriation. Therefore, female employees should actively pursue avenues where they will be exposed to international assignments, if they wish to move up within the enterprise.
- C1 is endeavouring to increase the number of female expatriates within the enterprise through the promotion and training of female technical staff, thereby increasing the number of females within its potential expatriate pool.

5.7. AGRICULTURE, FISHING AND FORESTRY – ENTERPRISE C2

5.7.1 Enterprise background

This enterprise (C2) is a South African-headquartered MNE, listed on the JSE, with business centring in the forestry, paper and pulp industry. C2 employs approximately 13 000 individuals worldwide in its four geographical sectors. These include:

- North America: this region houses Fine Paper and Specialised Cellulose divisions
- Europe: this region houses another Fine Paper division servicing the European market.
- South Africa: Paper and Packaging, Forests and Specialised Cellulose are housed here, together with group headquarters.
- The enterprise additionally has a trading division which operates a sales and distribution network for its products outside of its core operating regions.

5.7.2 Demographics of expatriates

C2 currently has five expatriates, assigned to Hong Kong and Vienna. All five of these expatriates are male. This, as explained by management, may be as a result of the male dominance within the industry; however, as all of the expatriates occupy senior sales executive positions within the enterprise, it is not inconceivable that females could occupy the same positions.

All expatriate assignments are for an initial period of two years, with the option of extending. Currently, all five males are accompanied by their spouse/partner and families.

5.7.3 Willingness of female employees to undertake expatriate assignments

Few women exhibit an interest in undertaking expatriate positions with the MNE, which is a reflection of the industry, and a manifestation of the enterprise's demographics in that more men are employed than women. The willingness of females tends to be slightly higher among single-status females. C2 has previously assigned two females as expatriates, both of whom were single.

Female candidates turn down offers of expatriate assignments due to family considerations, including having children of school-going age, the reluctance of the spouse to move to the host country and suspend his career, and dependence on the dual income generated by both parties' working. Female employees may also turn down assignments because they have no interest in the type of work they will be performing in the host country. Males tend to turn down assignments for the same reasons as females. These reasons include the family considerations stated previously. Additionally men may turn down assignments because C2 does not offer expatriate assignments as 'enrichment postings', with expatriates being paid very close to what they would be paid in a similar position in the home country, with only schooling and housing being covered by the enterprise, upon negotiation (these additional benefits are not guaranteed). Therefore, although they may be the primary breadwinners in most cases, they are still dependent on the income generated by their spouse, and there is no guarantee of the spouse being able to work in the host country. So being assigned as an expatriate may result in their actually earning less (as a couple) than in the home country.

5.7.4 Corporate resistance and expatriate selection

The first step in assigning an expatriate to a host country is to identify the specific need within the host country. This need is assessed to determine if an expatriate assignment is necessary, or if a short-term assignment will suffice. If an expatriate position is required, this need is relayed to headquarters, which advertises the position internally. Employees apply through a process of self-selection, and possible candidates are screened to determine if they have the necessary skills to perform the work, and to determine their actual interest level in the assignment. A potential candidate is sent on a three-week 'look-and-see' visit to the host country, accompanied by the spouse/partner. Compensation packages and other conditions are then negotiated, and final

selection is done on the basis of the individual being willing to accept the negotiated terms. This selection procedure can take up to six months, depending on work permit and visa requirements. It in no way inhibits female employees from applying.

C2 has no preference as to assigning males or females, and the desired characteristics possessed by applicants are the same for both men and women. These characteristics include:

- The ability and necessary skills to perform the job in the host country. This is a primary consideration for selection.
- Cultural adaptability
- Support from the spouse. The MNE prefers that married expatriates be accompanied by their spouses, so as not to cause undue stress on the family unit.
- The ability to handle unforeseen changes in plans or circumstances proactively
- Tolerance of other cultural beliefs and practices with which the candidate may not personally agree
- Consideration of whether or not the candidate has elderly parents or family members within the home country who are dependent on the candidate. This consideration is discussed with potential candidates to ensure they are comfortable with the significance of leaving these family members for extended periods of time.

5.7.5 Foreign prejudice and expatriate assignments

The enterprise does not consider aspects of foreign prejudice when assigning female expatriates. Currently the enterprise only operates in stable host countries, and does not foresee expanding into any region which may pose a risk of foreign prejudice towards females, and again does not foresee expanding its operations into any hostile territories, so even the general safety of its expatriates is not a major consideration.

5.7.6 International experience and upward career mobility

In the past, approximately 10 years ago, C2 did view international experience as an important consideration for one's progression into upper management within the enterprise. Today, however, this is not the case; and although management acknowledges and values the broader

perspectives and developed emotional/personal skills possessed by those individuals who have had international experience, it is not a major consideration for promotion within the enterprise.

Of interest is the fact that the enterprise is definitely attempting to steer away from expatriate assignments in the future, favouring short-term project-based work (three to five months). This is because the huge costs associated with expatriate assignments are not worth the return on the investment, especially for developmental assignment purposes. C2 foresees cutting its expatriate assignments even further in the future and only utilising expatriates as a final resort.

5.7.7 Current/future intentions to promote female expatriates

As the enterprise is currently in the process of minimising its expatriate operations and reducing its number of expatriates even further; it has no intention of promoting female expatriates, or expatriation in general, due to the high costs associated with these assignments. As stated previously, its focus will now be on short-term assignments wherever possible, only utilising expatriates as a final resort.

5.7.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- 100% of the expatriates currently assigned by C2 are male. This is a reflection of the industry, and the demographics of the enterprise.
- Few females have expressed an interest in undertaking expatriate assignments, with interest being slightly higher among single females. The main reasons why a female may turn down an assignment relate to family considerations, such as the inability/unwillingness of her spouse to accompany her on assignment, having children of school-going age, and dual-income considerations. Female employees also turn down expatriate postings because they are not interested in the actual work which they will be expected to perform in the host country. Men also cite similar family considerations for rejecting expatriate assignments, with more emphasis being placed on the loss of dual-income as a reason.
- C2 has a developed expatriate selection procedure, based initially on a process of candidate self-selection. Its selection procedure does not preclude female employees from applying,

with desired characteristics being the same for both male and female applicants. These desired characteristics include the skills necessary to perform the assigned job, cultural adaptability, spousal support, ability to handle unforeseen changes in circumstances, elderly family dependents remaining in the home country and tolerance for other cultural beliefs and practices.

- The MNE does not consider foreign prejudice as a factor when assigning female expatriates to host countries. This is due to the fact that C2 currently operates in regions where female expatriates are accepted, and the enterprise does not foresee itself expanding into locations where foreign prejudice would be an issue. It is for similar reasons that the enterprise does not have to consider the safety of its expatriates as a major concern, since it operates only in highly stable territories.
- International experience is not considered as an important factor in the career progression of individuals within the enterprise; although management does acknowledge that certain personal and emotional skills are more developed in candidates with international experience, the current management does not regard international experience necessary for promotion.
- C2 has no plans to increase the number of female expatriates, due to extreme costs and limited return on investment, management is actively attempting to reduce its expatriate operations altogether.

5.8 FAST MOVING CONSUMER GOODS – ENTERPRISE D1

5.8.1 Enterprise background

This MNE (D1) is a South African-headquartered enterprise, which is listed on the JSE and operates within the packaging industry/manufacturing industry (FMCG). D1 offers its clients recycling and innovative packaging solutions. These include paper- and board-based products, plastic, glass and metal goods (cans). Additionally the enterprise supplies high-quality tissue-based products and offers bar-coding and labelling solutions for any application.

D1 has operations throughout Africa and the UK, and employs approximately 10 000 people in its various global operations.

5.8.2 Demographics of expatriates

D1 currently has 21 expatriates assigned throughout Africa; namely to Nigeria, Zimbabwe, Angola, Kenya, Zambia, Tanzania and Swaziland. Of these 21 expatriates, 19 are male and 2 female; thus males represent 90% of its expatriates. This large number of male expatriates is a reflection of the demographics of the enterprise, which has very few female employees available to take up expatriate assignments. Out of the 21 expatriates, 11 are accompanied by their spouse/partner.

D1 has two categories of expatriates: shop-floor personnel (factory workers) sent to Greenfield sites to set up and operate various manufacturing facilities; and executive level expatriates who are at middle- or upper-management level within the enterprise. All assignments are typically for a three-year period, with the option to extend this by another three years. Thus, expatriates may be assigned for a total of six years. Of interest, however, is that most of its expatriates have remained on assignment in a specific host country for between six and ten years. These expatriates who remain in the host country longer than six years remain on expatriate packages and are not localised. The enterprise is forced to continue in this manner because if the incentive to stay on in the host country is removed, the expatriates will return to the home country, and management will have to replace them and assign a new expatriate to that location.

5.8.3 Willingness of female employees to undertake expatriate assignments

Few female employees have expressed an interest in undertaking expatriate assignments. As stated previously, this is a result of the low number of females employed by the enterprise, and the fact that most female employees currently occupy senior management positions within the enterprise, and are therefore settled in their careers and departments, and so are generally unwilling to volunteer for expatriate postings.

If an expatriate assignment is offered to a female employee, the primary reason for turning it down is because her spouse does not wish to accompany her on the assignment. The MNE does not secure work permits for any accompanying spouse, so in the case of a female assignee, the husband/partner would have to suspend his career and would not be allowed to work in the host country.

D1 has thus far not had any male assignees reject the opportunity of an expatriate posting.

5.8.4 Corporate resistance and expatriate selection

D1 does not have a formalised selection procedure for expatriate assignments. Essentially the enterprise assesses who has the necessary skills, and who is willing to go on assignment. In theory management would like to impose a formal assessment and selection programme. However, in reality, once a position has become available, management already has certain individuals in mind. These individuals are then approached with regard to the expatriate position.

The desired characteristics for expatriate postings include firstly the willingness to go on the assignment, and an easy-going temperament and the ability to work well with ambiguity. These characteristics apply to both male and female candidates.

The enterprise states that it has no preference in sending either males or females on expatriate assignments, and feels that as long as the candidate is capable and willing, then both genders have an equal chance of being selected. In reality, however, its absence of a formal selection process, and management's already having certain candidates in mind for positions, greatly limits the opportunities for other employees, whether men and women, to express their interest in expatriate assignments. Management does note that there is room for improvement in its current selection practices, specifically highlighting the need to formalise the process. Additionally, D1 would like to utilise its expatriate programme to develop up-and-coming talent within the enterprise, giving individuals the opportunity to increase their exposure through a number of international assignments.

5.8.5 Foreign prejudice and expatriate assignments

The enterprise does not consider foreign prejudice as a factor when considering female employees for expatriate assignments. The enterprise is confident that women would be accepted in any of the regions where it currently operates, or plans to expand into in the future.

The only consideration which is addressed is the safety of the expatriate and the accompanying spouse/family; and as long as the expatriate is comfortable with any safety concerns which may be applicable to a particular host country, then the enterprise has no concern about assigning the individual.

5.8.6 International experience and upward career mobility

In the past the enterprise did not view international experience as an important factor for an individual's upward mobility within the enterprise. This, however, is beginning to change, since the enterprise's new CEO values international experience; and although there is no stated policy regarding the value the enterprise places on international experience, this may change as the enterprise's views shift with new management.

As stated previously, as most of D1's expatriates choose to remain on assignment, none have returned to occupy higher-level positions within the enterprise. Those who do not choose to remain on assignment are either poached by other MNEs within the host country, or else leave the employment of D1 upon repatriation.

5.8.7 Current/future intentions to promote female expatriates

D1 currently has no intention of attempting to increase the number of female expatriates within its enterprise. This is because few women are employed in the roles which traditionally would allow them to become expatriates (managing director, financial director or having exceptional technical expertise). Also, its expatriate pool is already very small, with more men being employed within the enterprise due to the nature of the manufacturing industry.

5.8.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- Of the expatriates assigned by D1, 90% are male, which reflects the male dominance in the demographics of the enterprise.
- Few female employees show an interest in undertaking expatriate assignments, as most of the females currently employed in the enterprise are at senior managerial level, and are therefore established and settled into their careers. If an assignment has been offered to a female, it is turned down primarily because of her spouse's inability/unwillingness to suspend his career, as he will be unable to work in the host country. The MNE has had no males turn down expatriate assignments thus far.

- The enterprise has no formal selection procedure in place, with expatriate candidates being approached and selected by management on a rather ad-hoc basis. Although the desired characteristics (willingness to be assigned, easygoing nature and working well with ambiguity) apply to both men and women. D1's lack of a formalised selection or assessment procedure definitely restricts the opportunities whereby other candidates, and therefore females, can make their desires known to management.
- D1 does not consider foreign prejudice as a factor when assigning female expatriates. Safety is its primary consideration for all expatriates, irrespective of gender.
- Although international experience has not been regarded as important by the enterprise in the past, with its change in management, which values international experience, it is reasonable to assume that its importance will increase in the near future. In the light of this, female employees within the enterprise should pursue opportunities by which to glean international experience.
- D1 has no plans to increase the number of female expatriates due to the small number of females positioned within the enterprise at levels which allow for expatriate assignments.

5.9 FAST MOVING CONSUMER GOODS – ENTERPRISE D2

5.9.1 Enterprise background

This enterprise (D2) is a JSE-listed company, headquartered in Johannesburg, South Africa. It is one of the largest manufacturers and marketers of FMCG products in Southern Africa. D2 has three broad operational divisions housing different business categories, including the various brands owned by the enterprise. These divisions consist of the:

- Grains Division: including milling, baking and breakfast products
- Consumer Brands Division: this division comprises groceries, home, personal and baby care, perishables, and snacks, treats and beverages.
- International Division: this division is made up of companies fully or partially-owned by D2, and its exporting operations.

This enterprise has a distribution network which spans more than 22 African countries, and employs approximately 22 000 individuals throughout its operations.

5.9.2 Demographics of expatriates

D2 has only recently started sending individuals on expatriate assignments. Currently the enterprise has 17 assignees, all male, assigned predominantly to Nigeria, Ethiopia and Cameroon. This male dominance of expatriates is due predominantly to the challenging nature of the locations, especially as the majority of the enterprise's expatriates are assigned to Nigeria, and due to various safety considerations with that country, female employees are unwilling to accept assignments to that location.

All expatriates are at senior management level, with assignments lasting for an initial term of three years. This may be extended for an additional three-year term, with expatriates being assigned for a maximum of six years to the host country. Married expatriates may be accompanied by their spouse/partner should they choose to do so.

5.9.3 Willingness of female employees to undertake expatriate assignments

Female employees have shown very little interest in undertaking expatriate assignments in the past, with only two applications by females having been made, both of which were unsuccessful. This reluctance, as stated previously, is due to the hostile or challenging host-country conditions. Additionally, most female employees who have been approached about committing to an expatriate assignment state emphatically that they would not leave their spouse behind in the home country. Their husbands state that they would be unwilling to be the accompanying spouse and suspend their career for the duration of the assignment. Female employees are willing to accept expatriate assignments if their spouse/partner would be guaranteed a suitable position, working for D2, in the host country. This, however, is against company policy, as management will not allow one spouse to report to or work with the other.

Males, thus far, have not turned down expatriate postings. This is mainly because the expatriate selection procedure is self-initiated, and therefore before the candidate even applies for the position, he has already taken numerous aspects, such as family concerns and monetary considerations, into account.

5.9.4 Corporate resistance and expatriate selection

The MNE has developed a ‘talent management programme’ from which it selects its expatriates. This talent management programme consists of a large group of individuals, most of whom are already employed within the enterprise’s numerous operations, who are willing to undertake expatriate assignments. The specific expatriate position is advertised internally, and individuals within this talent pool may apply. Generally those individuals who are next in line for senior management positions are approached for expatriate assignments. These individuals usually apply for advertised positions, or are approached by the enterprise if they have not specifically applied for a posting. Cross-cultural training is provided for the candidate who has been selected for the position.

Of interest is that D2 is having difficulty sourcing expatriates from its South African talent pool, which is currently very thin, thus forcing the enterprise to select candidates from a pool which does not consist entirely of D2 employees, and selecting individuals who may not be as familiar with the enterprise’s corporate identity and values as those individuals within the home country or enterprise headquarters. Therefore, management acknowledges the need to develop its talent pool, not only in its entirety, but specifically within South Africa, which would allow it to select individuals who are already familiar with the operations and culture of the enterprise.

D2 has no preference as regards sending males or females on expatriate assignments, and the preferred characteristics of expatriate candidates are uniform across genders. Management seeks individuals for expatriate assignments who are good leaders and have the ability to lead teams, could adapt to unforeseen and erratic conditions which might be present in the host country, and have the ability to effect transformation within the host country through empowering and motivating individuals.

5.9.5 Foreign prejudice and expatriate assignments

Although the enterprise has yet to assign a female expatriate, it does not believe that foreign prejudice towards females would be a concern which would prevent it from doing so. Currently the enterprise’s international operations and expatriate postings are focused throughout West Africa, where the enterprise does not foresee any opposition or resentment towards female assignees.

D2 regards the safety of its expatriates as important. Therefore, expatriates are only assigned to a host country if they, together with management, are comfortable with the safety and security concerns of that country.

5.9.6 International experience and upward career mobility

Management considers international experience as very important for one's upward career mobility within the enterprise. Assignees are not necessarily promoted upon repatriation, due to the fact that they are assigned to senior management level within the host country, such as being the CEO of that specific country's operations; but international experience counts positively if these individuals are to be considered for promotion to the top echelons of management within D2's headquarters.

Although the enterprise has no formal policy stating this, international exposure is explicitly encouraged by the CEO, who believes that the future of the MNE's leadership lies with those people who have international experience.

5.9.7 Current/future intentions to promote female expatriates

At the moment the enterprise has no plans to increase its number of female expatriates specifically. This is because there has been very little interest received from female candidates in expatriate positions. Additionally, D2 is focusing on developing its local talent pool as a whole, rather than concentrating only on its expatriate programme. Management hopes that as it builds up its calibre of local employees across the board, through various training and development programmes based on leadership, finance, customer service, IT, manufacturing and marketing; and by developing its local human resources, it will also be growing its number of future management personnel and therefore its potential expatriates.

5.9.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- Although the enterprise has only recently begun sending individuals on expatriate assignments, to date all its expatriates have been male. This is due to the challenging

conditions within the host country, especially as most are assigned to Nigeria and because of safety concerns females are unwilling to be assigned to that host country.

- Few female employees have expressed any interest in undertaking expatriate assignments, with only two women having applied for positions in the past. Female employees tend to turn down assignments because they do not want to leave their spouses in the home country, and in most cases the spouse does not wish to accompany the assignee as he will have to suspend his career. Males have not turned down expatriate positions in the past.
- D2 utilises a talent management programme which does not preclude the selection of female candidates. Candidates apply for positions on a self-selection basis, with the most qualified and closest in line for progression into senior management being selected. The desired characteristics of expatriate candidates do not differ between genders, and include good leadership abilities, adaptability and the ability to effect transformation.
- Although management has yet to assign a female expatriate, it does not foresee that foreign prejudice would be a consideration if a female expatriate were to be assigned to any of its current West African operations. The enterprise does, however, consider the overall safety of its expatriates within the host country.
- International experience is considered very important for one's upward career progression within the enterprise. Therefore, although there is no formal policy attesting to the importance of international exposure, female employees should actively seek out expatriate opportunities and other means by which to glean international experience if they wish to move up within the enterprise.
- D2 has no plans to promote female expatriates specifically, due to the limited interest it has received from female personnel, and the fact that management's focus currently lies with the development of its local talent pool as a whole.

5.10. TELECOMMUNICATIONS – ENTERPRISE E1

5.10.1 Enterprise background

E1 is a mobile communications enterprise which provides voice, messaging, data and coverage solutions to consumers throughout Africa. E1 is listed on the JSE, and its headquarters is located

in Johannesburg, South Africa. E1 employs approximately 7000 people, with networks extending into Tanzania, the DRC, Mozambique, Nigeria and Lesotho.

5.10.2 Demographics of expatriates

E1 currently has 60 expatriates assigned throughout Mozambique, the DRC, Lesotho and Tanzania. Of these 60 expatriates, 45 are male (75%) and 15 female (25%). Although female expatriate representation within this enterprise remains lower than that of men, E1 has significantly more female expatriates than other cases within this study. This is in part a representation of the telecommunications industry, to which, unlike the mining sector, more females are drawn. Also, over the past 18 months, this MNE has actively encouraged female employees to take up expatriate assignments. Although management has no formal policy promoting females over males, management is certainly encouraging female staff to become more mobile and affording them international opportunities.

Management assigns expatriates at top management level, and technical/support staff. As the enterprise ultimately seeks to encourage the development of the HCNs, the enterprise only utilises expatriates to fill top management positions, and where exceptional skills are needed. Therefore all external operations are overseen by an expatriate who is assigned as the managing director or financial director for the host country. All top management and technicians with skills not available in the host country are sourced from E1's headquarters in Johannesburg.

Expatriate assignments vary in length, depending on whether the assignee is classified as managerial or technical/support. Assignments for managerial personnel last between two and four years in one location, whereas technical staff are assigned on a project basis. Both managerial and technical expatriates may be accompanied by their spouse/partner while on assignment; however, approximately only six assignees have been accompanied by their spouse. Many female spouses choose not to accompany their husband on assignment due to the nature of the host country; for example, most wives will not accompany their husband if he has been assigned to the DRC. If expatriates choose not to take their family on assignment, they are required to take home leave every 45 days, and may not exceed a period of 90 days without visiting family members.

5.10.3 Willingness of female employees to undertake expatriate assignments

Interest towards expatriate assignments from female employees is growing within the enterprise. This is due to the E1's recent drive to encourage female employees to take up expatriate assignments. However, despite this heightened level of interest, some female employees who have been approached regarding expatriate assignments still turn down the opportunity. Reasons given for rejecting an assignment are typically family concerns, such as their husband/partner not wanting to give up his career and become the travelling spouse, and the female candidate not wishing to relocate her family to the host country. Additionally, female employees typically turn down postings to difficult locations such as the DRC.

It is extremely rare for males to turn down expatriate assignments, as they are very career driven and acknowledge that the expatriate assignment will offer them a chance to grow/move laterally and increase their chances of promotion within the MNE. Male candidates will accept an assignment, even if they are not totally certain that they are suited or committed; opting to at the very least attempt the assignment, with some candidates returning after six months unsuccessfully.

On the rare occasion that a male candidate has rejected an expatriate assignment, family reasons such as unwillingness to relocate the family have been cited.

5.10.4 Corporate resistance and expatriate selection

E1 has an expatriate selection procedure which does not preclude female employees from being selected. Management has developed a 'talent management programme' within the enterprise which identifies and cultivates potential 'stars'. This talent management programme is driven by individual performance and exceptional skills, and seeks to assign selected individuals to project work and expatriate assignments in an attempt to facilitate the growth and development of individuals. This programme also helps the MNE retain its talent, as candidates are kept excited and interested in their work by being offered different opportunities within the enterprise. It is from this talent pool that management sources its expatriates.

Once the need for an expatriate arises, the position is advertised and candidates within E1's talent pool are encouraged to apply. A number of candidates are interviewed, and psychometric

testing is done. Additionally candidates are sent on cross-cultural training courses and the potential expatriate and his or her spouse are assessed by an industrial psychologist. Once a candidate has been chosen, he or she must confirm their interest in the assignment, and his or her line manager is consulted to ascertain if the individual is available to go on the assignment. Additionally, management seeks clarification from local stakeholders within the host country that the skill being imported is not available locally, and that the host country approves of the expatriate being assigned.

Expatriate positions are only advertised externally in the event that nobody within the current talent pool is suitable. Typically expatriates are sent to smaller markets first (their first posting), then as their international experience grows and they improve, they are assigned to the enterprise's larger markets. Usually assignees will be posted first to Lesotho and Mozambique, which are the smaller markets, before moving onto E1's East African market.

The MNE has no preference regarding assigning men or women as expatriates, and the desired characteristics of candidates are the same irrespective of the gender of the applicant. Management specifically assesses the cultural fit between the individual and the host country and favours individuals who have exceptional skills and perform very well, and those candidates who are more mobile and have fewer commitments restricting their movements.

5.10.5 Foreign prejudice and expatriate assignments

E1 does not perceive foreign prejudice towards female expatriates as a factor when assigning females, as women have performed well in all of the enterprise's current markets and continue to do so. The only major consideration which management does take into account is the safety of its expatriates, irrespective of gender; it may be reluctant to assign an expatriate to a country which is currently hostile or overtly dangerous.

5.10.6 International experience and upward career mobility

E1 considers international experience to be very important should one wish to move up within the enterprise, although this importance is not stated in a formal policy. Many of its expatriates have been promoted upon repatriation back to South Africa, with the current CEO of the

enterprise being a previous expatriate. If expatriates are not repatriated back to headquarters, they may be promoted within another of the enterprise's markets.

5.10.7 Current/future intentions to promote female expatriates

E1 has been highly proactive within the last 18 months with regard to promoting female expatriation. Currently management has two programmes running. One is centred on giving talented graduates international exposure, with a focus on providing female graduates with these opportunities, and the second is an internal programme run by the enterprise's Corporate Affairs and Marketing Division, which aims to promote the empowerment and recognition of its female employees and women in general.

5.10.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- Of the expatriates assigned by E1, 75% are male, with the enterprise having recently commenced with a drive to encourage female employees to undertake expatriate assignments. Its current 15% female expatriate representation is significantly higher than that of other enterprises included in this multi-case analysis, and although this may be a representation of the telecommunications industry at large, E1's initiative has certainly contributed to the larger number of female assignees.
- Females' interest in expatriate positions is increasing as a result of the MNE's encouraging female expatriation. Women do still turn down assignments, citing family considerations such as the spouse being unwilling to suspend his career and concerns about relocating the whole family. Female employees may additionally turn down an assignment because they do not like the host country. Males, on the other hand, rarely reject expatriate postings; but when they do, concerns about relocating the whole family are raised.
- The enterprise utilises a highly developed expatriate selection programme: one which does not preclude females from being selected. The enterprise has no preference as to assigning one gender over the other as expatriates, with the desired characteristics of mobility, performance and cultural-fit applying to all candidates.

- E1 does not consider foreign prejudice towards females when selecting female expatriates, as all of the enterprise's current markets accept foreign females. The enterprise does, however, consider the safety of all its expatriates prior to assigning them to any volatile or potentially dangerous market.
- International experience is considered very important for individuals looking to move up within the enterprise. Therefore, in the light of this, and the fact that management is now actively encouraging women to accept expatriate assignments; females employed by the enterprise should take advantage of such opportunities if they wish to be promoted to top management level in the future.
- E1 is actively promoting the expatriation of females within its enterprise, specifically through the use of graduate programmes and internal development programmes.

5.11 TELECOMMUNICATIONS – ENTERPRISE E2

5.11.1 Enterprise background

This enterprise, E2, is a South African headquartered MNE with operations in over 58 countries worldwide, employing approximately 23 000 individuals. E2 specialises in network integration, security solutions, data centre solutions and converged communications and a range of professional, consulting, managed and support services.

5.11.2 Demographics of expatriates

E2 currently has only two expatriates, assigned within Nigeria. Both are male and are accompanied by their spouse/partner. Both expatriates are at top managerial level within the enterprise, with one being assigned as the managing director and the other as the head of a business unit within E2's Nigerian operations. Expatriate assignments within E2 are generally open ended, with no fixed term of stay in the host country; however, assignments last a minimum of three years in most cases.

5.11.3 Willingness of female employees to undertake expatriate assignments

By and large, E2 receives very little interest from its employees with regard to expatriate assignments, irrespective of gender. It is difficult to find any candidate to fill expatriate positions within Africa, but especially in Nigeria at present. In the past, E2 has assigned one female expatriate who expressed an interest and was seconded to its Kenyan operations. Therefore, although interest levels are very low for both male and female employees, as the enterprise has assigned more men, it may be postulated that males are slightly more interested in expatriate assignments than females.

As stated, the enterprise has only ever assigned one female in the past, and as she accepted the assignment, management has no frame of reference as to what the reasons would be for a female turning down an expatriate assignment. Management does acknowledge that as there are fewer females within top management in the enterprise, there are fewer women available from which to select expatriates, as there are currently very few females with the necessary skill set and managerial experience to undertake expatriate assignments. But this being said, management does believe that the reasons for turning down an assignment would be the same with male and female candidates; these being:

- Safety concerns within the host country
- The unattractiveness of the host country, when compared with the standard of living within South Africa (This is especially true of assignments offered throughout Africa.)
- The fact that E2 does not provide a work permit for the accompanying spouse, and in many countries the spouse will not be allowed to work (even for charity)
- Dual-income concerns for the expatriate and spouse, especially as spousal work permits are not provided.

5.11.4 Corporate resistance and expatriate selection

Expatriate assignments are advertised internally within the enterprise, with potential candidates applying through an initial process of self-selection. This therefore does not preclude female candidates from applying. Management may, in some cases, approach certain individuals who, they believe, would be suited to the role. E2 rarely recruits from outside the enterprise, since internal business knowledge is considered crucial for expatriate assignments. Once a suitable

candidate has been selected, the expatriate compensation package is structured, including the discussion regarding schooling, home-leave, housing, and so on. Before the candidates make their final decision, they, together with their spouse, are sent on a look-and-see visit to the host country. This process takes an average of three months, but is largely dependent on the personal circumstances of the expatriate and the level of urgency with which their services are required within the host country.

The MNE has no preference as to assigning males over females, with the desired characteristics/competencies being the same irrespective of gender. As stated, E2 recruits internally and therefore the candidate should have exceptional enterprise-specific business knowledge which he or she can impart to HCNs. Additional competencies include good leadership capabilities, strong financial acumen and the ability to interact effectively with HCNs.

5.11.5 Foreign prejudice and expatriate assignments

E2 avoids assigning females to the Middle East and specifically Saudi Arabia, due to the high levels of prejudice which female expatriates would experience in those regions. The enterprise would be comfortable assigning females to any other country in which it has operations, provided that the expatriates' safety is guaranteed and that they are comfortable with the host country conditions. This applies to both male and female expatriates.

5.11.6 International experience and upward career mobility

To date only one expatriate has returned to enterprise headquarters and been promoted. This is due primarily to the fact that many of E2's expatriates leave the employment of the enterprise to pursue their own private business ventures within the host country.

The issue of international experience being deemed necessary for one's upward career progression within the enterprise is currently under debate, with certain individuals within management (HR directors) believing it is certainly important, especially since experience outside of South Africa is necessary if an individual is charged with managing an emerging markets division, for example. This being said, no formal policy currently exists which stipulates that international experience is required.

5.11.7 Current/future intentions to promote female expatriates

E2 is actively trying to reduce its expatriate operations. In the past the enterprise had a large expatriate base, with 20 to 40 expatriates assigned at any one time. This has been reduced to only two expatriates, and management plans to eliminate its use altogether in the coming years. This is driven by a desire to cut the huge costs associated with expatriate assignments and a desire by E2 to train and impart the necessary skills to HCNs as quickly as possible and allow HCNs to manage the subsidiaries. Therefore, irrespective of the gender of its expatriates, E2 does not plan on promoting any form of long-term expatriate assignment.

5.11.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- All expatriates currently assigned by E2 are male. This is attributed to the fact that there are very few females within senior management with the necessary skill-set and leadership experience to undertake expatriate assignments.
- The level of interest shown by both males and females with regard to expatriate assignments is generally very low; however, as E2 has only ever assigned one female in the past, males may be seen to show slightly more interest than females. Management believes that the reasons for rejecting an expatriate assignment would be the same, irrespective of gender; and include safety concerns within the host country, the general unattractiveness of the host country compared with South Africa, and dual-income concerns and work permit restrictions for travelling spouses.
- E2 has an expatriate selection procedure which is open to both male and female candidates, and which is based on an initial process of self-selection. The MNE also has no preference in assigning one gender over the other, with desired competencies/characteristics remaining the same irrespective of the gender of the applicant. Management seeks candidates with excellent internal business knowledge, good leadership skills, financial acumen and an affinity for interacting with members of the host country.
- Aside from the Middle East, and Saudi Arabia in particular, the enterprise perceives no other countries with cultural prejudice towards female expatriates, with management being

comfortable assigning female employees to any of its other regions provided the safety of the expatriate is deemed acceptable.

- E2 has no formal policy stipulating that international experience is required for an individual to move up within the enterprise, and its level of importance is currently under debate within the MNE. Thus, as some aspects of management regard it as necessary, it would be advisable that female employees wishing to move up into top management seek out opportunities for international exposure.
- E2 currently has no plans in place to promote female expatriates within the enterprise. This is due to the fact that management is in the process of actively reducing its expatriate operations because of concerns over the high costs associated with expatriate assignments.

5.12. FINANCIAL SERVICES – ENTERPRISE F1

5.12.1 Enterprise background

F1 is a South African headquartered financial services provider which is listed on the JSE. Its focus is on being the leading regional bank, and it is therefore focusing on building its physical presence within key African markets, especially within Nigeria, Ghana, Tanzania, Kenya, Botswana, Angola and Zambia. Additionally the MNE has established platforms in certain key financial centres that can generate opportunities flowing from the growing investment between Europe and the African continent, and between Asia and Africa.

The enterprise has four large divisions within its structure, employing approximately 36 000 individuals. These are all related to financial services, and include:

- Retail and commercial banking: This division is facilitated by F1 and offers a diverse range of financial products and services to consumers, small business, and agricultural, medium-corporate and government entities.
- Corporate and investment banking: Here the enterprise offers advisory services and funding and trading services. Additionally the enterprise offers corporate banking products and services and investing solutions.

- Instalment finance: The asset-based finance section of F1 focuses on providing quality asset finance and fleet management solutions for a number of market sectors.
- Investment management: F1 is in the process of building an investment management business within its portfolio.

5.12.2 Demographics of expatriates

F1 currently has 67 expatriates assigned throughout its African operations, and farther abroad. Within Africa, expatriates are presently assigned to Lesotho, Swaziland, Namibia, Botswana and Mozambique; and to Tanzania, Kenya, Zambia, Nigeria and Ghana. F1 also has expatriates currently assigned to the UK, the UAE and India. Of these 67 expatriates there are only five females (7.5%), who are stationed in Mozambique, Nigeria, Zambia and the UK. The remaining 92.5% of the enterprise's assignees are male. Management is certainly aware of the lack of female expatriates, and plans to develop a programme which actively encourages female employees to apply for and undertake expatriate assignments.

Expatriates are either middle-level technical staff, or upper management personnel who hold CIO or CFO positions. Expatriate assignments are typically for a period of two years, with the option to extend this by an additional one or two years within the host country. The enterprise has a policy that expatriate assignments should not exceed a maximum five-year term, as by this time the expatriate should have successfully trained an HCN for the position.

Approximately 60% of the expatriates are accompanied by their spouse/partner, however, this is largely dependent on the country to which the expatriate has been assigned. For example, F1 currently has 10 expatriates in Nigeria, but of these 10 expatriates only one is accompanied by his spouse/partner and family. Of the other nine assignees in Nigeria, eight are married but have chosen not to be accompanied by their spouses and families. On the other hand, in Zambia all of F1's married expatriates are accompanied by their spouse/partner.

5.12.3 Willingness of female employees to undertake expatriate assignments

Female employees do express a willingness to apply for and undertake expatriate assignments; however, their level of interest is less than men's. The enterprise's human resource system is such that all employees are encouraged to fill out a mobility questionnaire. Here employees can

state if they are mobile or not, and specify to which countries they are willing to be transferred. Analysis of these questionnaires shows that fewer women subjects than men state that they are mobile. The mobility of female employees within the MNE is largely dependent on whether their family situation permits it, and typically management has found that their level of mobility is increased if the candidate's husband is mobile and can perform his work from the host country, or if female candidates are single, or are much older and no longer have dependent children.

Female candidates have turned down expatriate assignments in the past due to family considerations. These involve issues regarding inadequate schooling for accompanying children, leaving aged family members behind in the home country, and the spouse refusing to suspend his career because of a move to another country. As the enterprise does not compensate for loss of spousal income, in some cases where the male is the breadwinner and primary earner in the family, the remuneration received through the expatriate posting is insufficient to compensate for the loss of spousal income, and therefore some females will reject the assignment. It is important to note that although F1 does assist the travelling spouse in obtaining a work visa and permits, in some countries such as Angola the spouse is by law not permitted to engage in any work. Males also cite the loss of dual income as a reason for not accepting an expatriate assignment.

5.12.4 Corporate resistance and expatriate selection

Management selects its expatriates through a process which is initiated by the self-selection of the candidate; that is, individuals who wish to take up assignments have indicated their willingness through the HR mobility questionnaire. This therefore does not preclude females from applying. Once an expatriate position becomes available, management consults the mobility list for a candidate who meets the requirements and who has indicated he or she is willing to be assigned to that specific host country. The candidate and spouse are sent for psychological assessment to determine their adaptability. This is done even if the spouse is not accompanying the expatriate, in order for the enterprise to determine whether or not the marriage will survive if one partner is assigned as an expatriate. Additionally, technical interviews are conducted before a single candidate is chosen. The successful individual, together with his or her family, is encouraged to travel to the host country on a 'look-and-see' visit, and all are given an extensive medical examination before the candidate formally accepts the assignment. This

process of assessing and selecting a suitable expatriate takes approximately three to five weeks, and an additional two to three months is required to get the expatriate to the host country.

Management has no preference regarding assigning men or women as expatriates, and the desired competencies of expatriate candidates remain consistent, irrespective of gender. These characteristics/competencies include:

- A high level of adaptability to changing and uncertain circumstances
- Cultural awareness and tolerance of others' cultural belief and practices
- Exceptional technical skills in the relevant field
- A good management style and one which is not autocratic. An expatriate fulfilling a managerial role in the host country must be able to empower people and let them make their own decisions, but still have the interest of the MNE at heart, and impart the philosophy of the enterprise to the HCNs.

5.12.5 Foreign prejudice and expatriate assignments

F1 does not consciously deter female expatriates from accepting assignments in certain regions; however, management does acknowledge that there are some postings which are harder on females due to cultural prejudices. For example, the UAE and Saudi Arabia are believed to be more challenging for females, not necessarily within a business context, but more regarding aspects of everyday life and the reduced status of women within those regions. Additionally Angola, Nigeria and India are considered tough postings, not due to reasons of foreign prejudice, but more because of the challenging nature of the host country itself. Postings to these regions are usually accepted by male candidates, although a few females have been assigned to these countries in the past and have been successful.

5.12.6 International experience and upward career mobility

Management does consider international experience as very important should one wish to move up within the enterprise. Although it has no formal policy stating such, the attainment of international experience is encouraged, with many expatriates being promoted within the enterprise upon their return to the home country.

5.12.7 Current/future intentions to promote female expatriates

Currently F1 is endeavouring to make its expatriate programme more representative of its enterprise's footprint; that is, it is currently seeking to increase the number of expatriates from the other countries where it operates and more black South African expatriates. Included in this drive is an enterprise-wide agenda to increase the number of female employees in management positions and expatriate positions. This is being pursued through the various business units which make up the MNE; during the expatriate recruitment process managers are instructed to give preference to female candidates and to the nationalities and race groups required to make its expatriate profile more representative. F1 is also in the process of investigating ways in which it can better support the needs of female expatriates.

5.12.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- The majority (93%) of F1's expatriates are male. The small number of female assignees is, as stated by management, a result of females being less mobile than their male counterparts, although management is planning on developing a system which encourages more females to accept international assignments.
- Although female employees within the enterprise are interested in expatriate assignments, their level of interest is largely dependent on their family situation. Female employees whose spouses are either retired or who have jobs that can be performed from the host country are more willing to become expatriates, as well as single-status females and older women whose children are no longer dependent on them. Females typically turn down expatriate assignments due to family considerations such as inadequate schooling, aged family members who will remain in the home country, and the reluctance of the spouse to accompany the candidate and the loss of spousal income if he is unable to work in the host country. Males, however, cite only the loss of spousal income as a reason for rejecting an expatriate assignment.
- F1 utilises an expatriate selection procedure initiated through self-selection on the part of the candidate, and therefore does not exclude females from applying. The enterprise also has no

preference in assigning one gender over the other, with the desired competencies of adaptability, cultural awareness, technical skills and an appropriate management style applying to all candidates.

- Management does consider foreign prejudice when assigning females to the UAE and potentially Saudi Arabia if it were to start operations in this region. Although it is aware of the cultural prejudices imposed on foreign females within the UAE, it does not stop females from being assigned here. The various aspects of this prejudice are merely brought to the attention of the female candidate. Additionally, although not for prejudicial reasons, females often choose not to be assigned to Nigeria, Angola and India, due to the difficult conditions within these countries.
- F1 does consider international experience to be very important if any individual wishes to move up within the enterprise. In the light of this, and the fact that the enterprise plans to promote female expatriation in the future, those female employees who want to progress upwards within the MNE should actively seek out opportunities by which to increase their level of international exposure.
- F1 is currently attempting to increase the number of females in expatriate positions and managerial positions within the enterprise. Within its expatriate selection procedure, F1 encourages its managers to give preference to female candidates and certain race groups.

5.13. FINANCIAL SERVICES – ENTERPRISE F2

5.13.1 Enterprise background

This enterprise (F2) is a specialist finance company headquartered in Johannesburg, South Africa. The enterprise offers unsecured salary-based loan offerings to the formally employed market. These loans do not exceed R50 000, with tenors up to 60 months. F2 is growing rapidly, with over 30 branches throughout South Africa, and operations in Ghana and Zambia. The enterprise currently employs 400 individuals on a permanent basis, and approximately 1 000 contract workers.

5.13.2 Demographics of expatriates

The enterprise currently has three expatriates assigned in Ghana and Zambia, all of whom are male. These individuals occupied middle- or upper-management positions or operational positions at the time of their selection for expatriate positions. Generally expatriates are assigned for an initial period of three to five years, with the option to renew the assignment. Of the three expatriates currently assigned, two assignees have been appointed for this three- to five-year period and have been accompanied by their spouse/partner, with the third expatriate having been assigned indefinitely to the host country. This individual is of single status and has therefore not been accompanied by his spouse/partner.

5.13.3 Willingness of female employees to undertake expatriate assignments

To date, female employees within the enterprise have shown little interest in undertaking expatriate assignments. This is primarily due to family considerations, such as the individual's spouse being unwilling to accompany her on assignment, and issues relating to schooling available in the host country for expatriate children. Another reason which is given by female employees who are unwilling to accept expatriate positions is the challenging nature of the host country; as many women would rather not relocate themselves and their families to Zambia or Ghana. Men also state family considerations and challenging conditions within the host country as reasons for declining assignments.

5.13.4 Corporate resistance and expatriate selection

The selection procedure for expatriates begins with self-selection. A position is advertised internally, and those individuals who are interested may apply for it. Any potential candidates are then interviewed and their level of adaptability is assessed. The individual's capacity to adapt to unforeseen and changing circumstances is seen as a very important criterion for expatriate selection. Once individuals have been selected, they are encouraged to go on a 'look-and-see' visit to the host country, with their spouse/partner, before a final decision is reached. The time it takes to select and actually place the individual in the host country can take anything from a few weeks to a few months, and is largely dependent on the expatriate's home and family obligations. Delays may be experienced if the expatriate wishes children to complete a term or year of schooling, and also if the spouse has to give notice for his or her job.

F2 considers a number of competencies to be critical for an expatriate to succeed within the host country. These competencies apply equally to both male and female candidates, and include:

- A high level of technical skill and competency in one's job
- The ability to adapt to unforeseen circumstances
- A high degree of self-sufficiency, independence and maturity, so that the candidate can make competent decisions without referring back to headquarters for minor queries and decisions
- A high level of cultural awareness and the ability to accept and work alongside individuals of numerous and diverse cultural backgrounds
- Good management skills to ensure that employees work cohesively and accomplish the mission of the enterprise

5.13.5 Foreign prejudice and expatriate assignments

The enterprise does not perceive foreign prejudice towards female expatriates to be an issue in any of its current territories; however, management does feel that it might be apprehensive about assigning female employees to Arab countries, due to the perception that it would be difficult for foreign females to adjust to the local environment and that they might be subjected to hostilities.

5.13.6 International experience and upward career mobility

F2 does not perceive international experience to be a prerequisite for an individual's career advancement within the enterprise, and currently has no formal policy which attests to this. Additionally the enterprise's expatriate programme is still in its infancy and no expatriates have as yet completed the full term of their assignments; thus the aspect of promotion upon repatriation to the home country cannot be ascertained yet.

International experience is desirable in personnel working within the African division of the enterprise as they will be required to work with people of different cultures. Those employees working purely within the local South African division of the enterprise do not require international experience.

5.13.7 Current/future intentions to promote female expatriates

F2 is currently in the process of sending its first female expatriate to Mauritius within the next two months on an indefinite assignment, thus showing that it is open to the use of female expatriates; however, it is not in the process of actively pushing and promoting female expatriates over males. As stated previously, African secondments are tough and generally more males than females are interested in assignments. All expatriate assignments are treated on a case-by-case basis, with the best candidate, irrespective of gender, being selected for the role.

5.13.8 Summary

Through detailed analysis of this case and the evidence conferred by this report, the following can be surmised from this study:

- All expatriates currently on assignment for the enterprise are male. As its expatriate programme is still relatively new, F2 currently only has three expatriates, however, its first female expatriate is due to be assigned to Mauritius within the next few months.
- The level of interest exhibited by female employees in undertaking expatriate assignments is lower than that shown by males within the enterprise. This is predominantly due to the fact that the enterprise operates within Africa, where assignments are considered more challenging and female employees are less inclined to accept positions here. Additionally, women cite family considerations such as the spouse being unable/unwilling to accompany her and schooling concerns for accompanying children as reasons for turning down expatriate positions. Men, when turning down expatriate positions, cite the same reasons.
- F2 utilises an expatriate selection procedure, initiated through self-selection on the part of the candidate, and therefore does not exclude females from applying. The enterprise also has no preference in assigning one gender over the other, with the desired competencies of advanced technical competency, adaptability, cultural awareness, and good managerial abilities applying to all candidates.
- The enterprise does not consider foreign prejudice to be a factor when assigning any of its personnel to its current positions. Management does, however, acknowledge that they would be apprehensive about assigning females to certain Arab countries. Although they do not

operate within this region as yet, there is a perception that foreign females would be subjected to some form of cultural discrimination.

- International experience is not considered a prerequisite for career advancement within the enterprise, and those individuals working purely within the South African division do not require international experience. Management does note that international experience does prove valuable to those individuals working within the African operations of the enterprise. Taking this into consideration, female employees wishing to move beyond the South African arm of the enterprise should pursue avenues where they can apply for and undertake expatriate assignments in order to develop their international skills.
- F2 is certainly open to the use of female expatriates; however, it is currently not actively promoting female expatriates over males. This is due to more men being interested in expatriate assignments than females, and the fact that expatriate assignments are not assigned based on gender.

5.14 ANALYSIS OF FINDINGS

As the greater part of this chapter has focused on each of the 12 case-studies, the following sections will evaluate the cases in a holistic manner, linking common issues and findings across the different cases.

5.14.1 Demographic information

5.14.1.1 Size of enterprises in this study

MNEs varied in size across the six industries from which the cases were selected, with the smallest enterprise consisting of 5500 employees and the largest of 36 000 employees worldwide. The following table (Table 5.1) illustrates the size of the MNEs per industry.

Table 5.1: MNE size per industry

Industry	Number of Employees
Mining	A1: 6 000
	A2: 5 500
Transport/Logistics	B1: 7 500
	B2: 11 000
Agriculture, Fishing and Forestry	C1: 4 000
	C2: 13 000
FMCGs	D1: 10 000
	D2: 22 000
Telecommunications	E1: 7 000
	E2: 23 000
Financial Services	F1: 36 000
	F2: 1 400

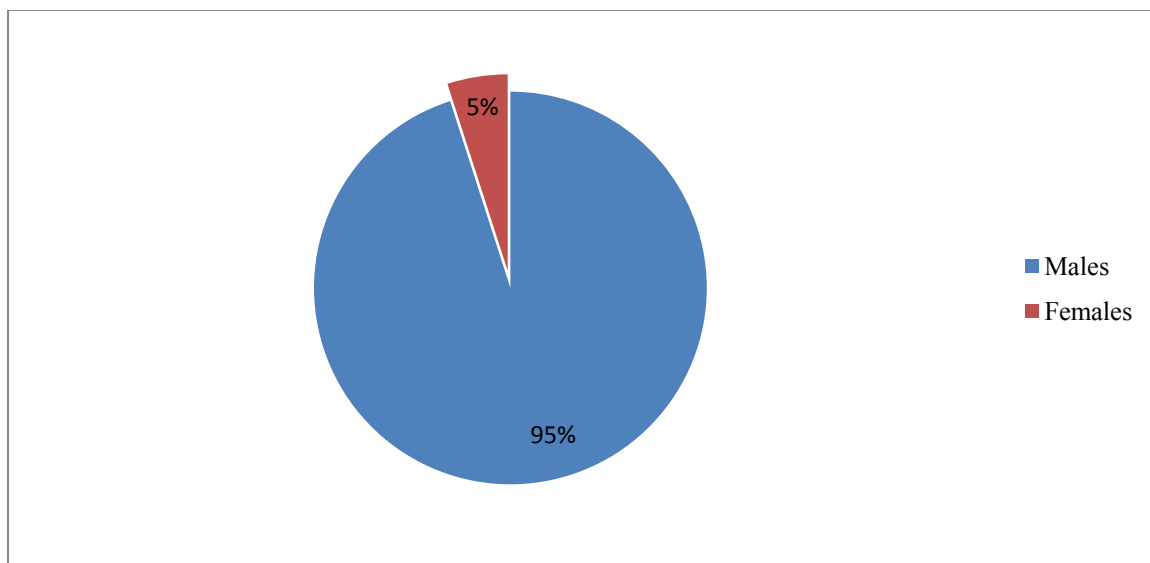
5.14.1.2 Gender of South African expatriates

In the 12 MNEs studied, subjects reported a total of 555 expatriates currently on assignment within their various subsidiaries worldwide. Of these 555 expatriates, 526 were male and 29 female; thus males represent 95% of the expatriates (see Figure 5.1 below).

This therefore supports Proposition 1 of this study, which states that the majority of expatriates sent on international assignments by South African MNEs are male. This is consistent with existing international literature where reports highlight a mere 16.5% representation of female expatriates in 2005 (Altman & Shortland, 2008:207; Munz & Ratajczak, 2007:34) as well as the

fact that in 2007 only 19% of expatriate assignments in the U.S. were filled by females (Lovelace & Chung, 2010:748). Shortland (2011:273) reports that female representation within the oil and gas sector, an industry which has seen high growth in the number of expatriates sent on assignment, sees only a 7% participation of female expatriates. Similarly, it is reported that 98% of expatriate managers from Japan are male (Hutchings *et al.*, 2011:1763). Additionally the large number of male expatriates in this study is consistent with Vogel *et al.*'s. (2006:138) report of 89% male dominance within the South African expatriate population.

Figure 5.1: Gender of South African expatriates



5.14.1.3 Expatriates' position within the MNE

All 12 MNEs sent senior management personnel on expatriate assignments, with these expatriates taking up positions as managing directors and chief financial officers and heading up business units within the various subsidiaries. A total of seven of the twelve MNEs also reported assigning technical staff as expatriates.

This is consistent with existing literature which reports that the majority of expatriates are assigned as senior- and middle-management or technical personnel within the host country (Gooderham & Nordhaug, 2003:298; Isidor *et al.*, 2011:2170) Where, in a study conducted by Caligiuri, Joshi and Lazarova (1999:171) a reported 68% of expatriates held middle-management

positions whilst in the host country, with a further 32% holding senior-management positions. These results correspond to South African statistics where 46% of respondents held senior managerial positions as expatriates, with a further 41% holding middle-management positions and 8% filling supervisory roles and 5% being assigned in non-managerial roles (Vogel & Van Vuuren, 2008:84).

5.14.1.4 Duration of assignment

The duration of a typical expatriate assignment varied, and was also dependent on whether the assignee was at a senior managerial level or technical staff. Analysis revealed that the shortest standard assignment was for a period of one year, whereupon the assignee's contract was renewed, with the longest standard assignment lasting a maximum of six years. The majority of MNEs reported assigning individuals for periods within the two- to five-year range; with two MNEs making reference to the fact that some of their expatriates at managerial level are assigned indefinitely.

The standard duration of an assignment indicated in this study is consistent with the length of assignments stipulated by existing authors (Ball *et al.*, 2010:575; Meyskens *et al.*, 2009:1441) and where, in a survey, 95% of respondents assigned expatriates on long-term assignments for a period of one to five years (KPMG, 2011:13). This result is also in-line with existing research conducted on expatriates assigned by South African MNEs where the majority, 38%, of expatriates were assigned for a period of three years (Vogel *et al.*, 2008:35).

5.14.1.5 Expatriates accompanied by spouse/partner

Of the twelve MNEs that were studied, only one had a formal policy which prohibited the expatriate's spouse from accompanying the expatriate while on assignment. This enterprise was in the mining industry, and this policy related only to its expatriates in technical roles. In the case of management staff, spousal accompaniment was encouraged. All remaining MNEs allowed their expatriates to be accompanied by partners/spouses, should the expatriate so choose, with only two MNEs reporting that most of their expatriates chose not to be accompanied by their spouses.

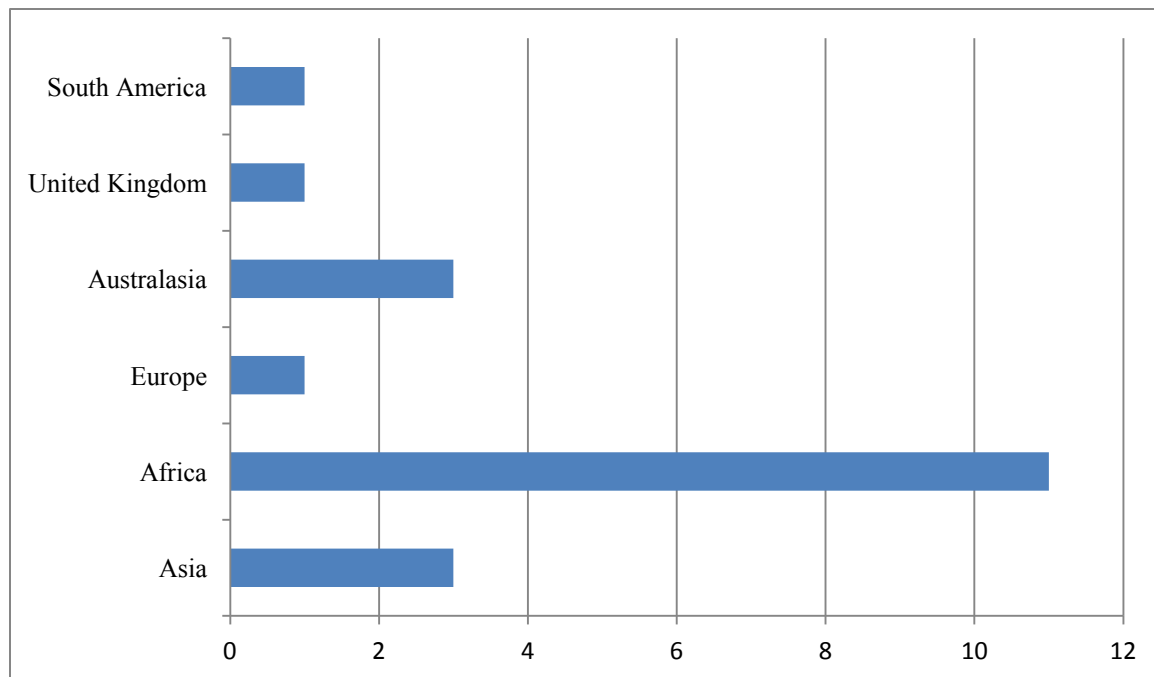
These results are consistent with existing literature where authors acknowledge the importance and role that the accompanying spouse plays in the success of the expatriate assignment and therefore the willingness of MNEs to encourage the spouse to accompany the expatriate on his/her assignment (Ball *et al.*, 2010:516; Briscoe & Schuler, 2004:242; Harvey *et al.*, 2010:214).

5.14.1.6 Location of assignment

The majority of the enterprises have expatriates assigned to various countries throughout Africa, with Asia and Australasia being the second most popular locations for expatriate assignments (refer to Figure 5.2 below).

These results are consistent with existing research regarding the focus and direction of investment by South African MNEs, where it is reported that FDI outflows from South Africa in 2013 were over US\$ 5.6 billion and were directed predominantly towards other African countries (UNCTAD, 2014:37). These results are also consistent with other South African-based expatriate research where 62% of expatriates were assigned within Africa (Vogel *et al.*, 2008:83).

Figure 5.2: Location of expatriate assignments



5.14.2 Female employees' interest in expatriate assignments

Of the twelve subjects who were interviewed, seven believed that the levels of interest in expatriate assignments differed between men and women, with men showing more interest in expatriating compared to women. The remaining five subjects stated that although they believed males and females showed equal interest in undertaking expatriate assignments, often, due to the nature of the assignment, that is, an assignment to a country considered hostile due to political conflict, or challenging due to the standard of living experienced within the host country, where infrastructure and facilities may be undeveloped and basic; female employees may be hesitant to apply for such expatriate positions. The demographics of the enterprise may also be a factor where, due to the nature of the industry or culture of the enterprise, which may be male dominated, as is the case within the mining and agricultural sectors, there are fewer female employees available to apply for such assignments.

This result differs from existing research where Adler's (1984) study reported that both male and female subjects expressed equal interest in undertaking expatriate assignments, however, although female employees were interested in expatriate assignments they may be unable to accept such assignments due to family obligations (Adler, 1984:70; Shortland, 2011:273). Hutchings *et al.* (2012:1767) substantiate this by stating that female employees were interested in and were apt to accept international assignments as frequently as men, if they did not have children. Also, where women indicated a reluctance to accept expatriate positions, it was due not to a lack of interest in the assignment itself, but for family and broader social and community obligations (Hutchings *et al.*, 2012:1767). Additionally, the 3% to 5% increase in the number of female expatriates within North and Latin America, as well as Europe in recent years shows that women are interested in pursuing expatriate careers (Harrison & Michailova; 2012:626).

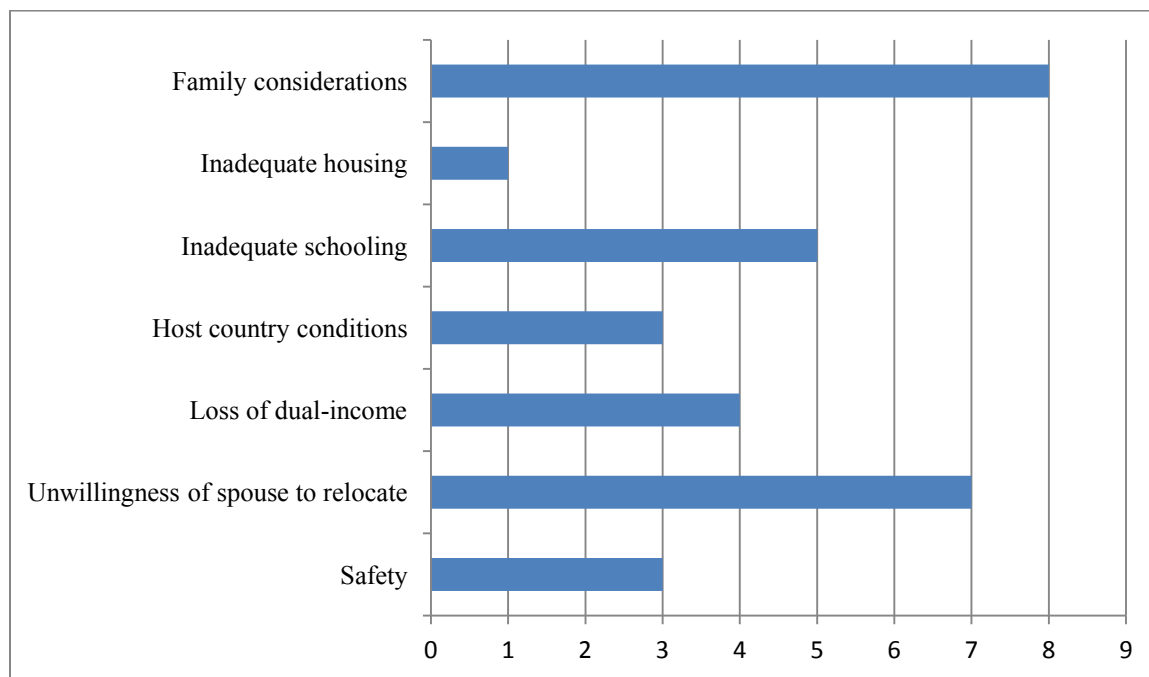
Support can therefore be found for Proposition 2 of this study, that female employees are not as interested in undertaking expatriate assignments as their male counterparts.

5.14.2.1 Reasons for female employees turning down assignments

Subjects reported a number of reasons given by female candidates for turning down international assignments. These were grouped into seven categories, namely:

- Family considerations (including the challenge of relocating a whole family, leaving dependents in the home country, and the consideration of moving one's children to the host country)
- Concerns over adequate housing
- Concerns over adequate schooling for accompanying children
- Host country conditions which were unattractive to the candidate
- Loss of dual income
- A spouse who was unwilling to accompany his wife/partner (including the inability of the spouse to secure a work permit and his career taking priority)
- Safety concerns

Figure 5.3: Reasons for female employees turning down international assignments



As Figure 5.3 illustrates, eight subjects reported family considerations as one of the reasons for female employees being unwilling/unable to expatriate. The second most cited reason, reported by seven subjects, was the unwillingness of the spouse to accompany his wife/partner due to his career taking priority or the inability to secure a work permit for him in the host country.

Concerns over adequate schooling in the host country and the loss of dual income, should the husband/partner be unable to work in the host country, were additional points commonly raised by women who turned down expatriate assignments.

These reasons cited by the expatriate managers of South African MNEs for female employees rejecting expatriate assignments are no different from the reasons identified in the existing literature. In studies by Hutchings *et al.* (2008:376) and Shortland (2009:370) family considerations were also reported as the primary reason most female employees choose not to expatriate, while the loss of dual income, the unwillingness of the spouse to accompany the expatriate, inadequate schooling and the inability to secure work permits for the accompanying spouse whilst in the host country were also reported (Briscoe & Schuler, 2004:249; Cabrera, 2009:3; Cole, 2011:1506; Hutchings *et al.*, 2012:1768; Sullivan & Mainiero, 2007:6).

5.14.2.2 Reasons for male employees turning down assignments

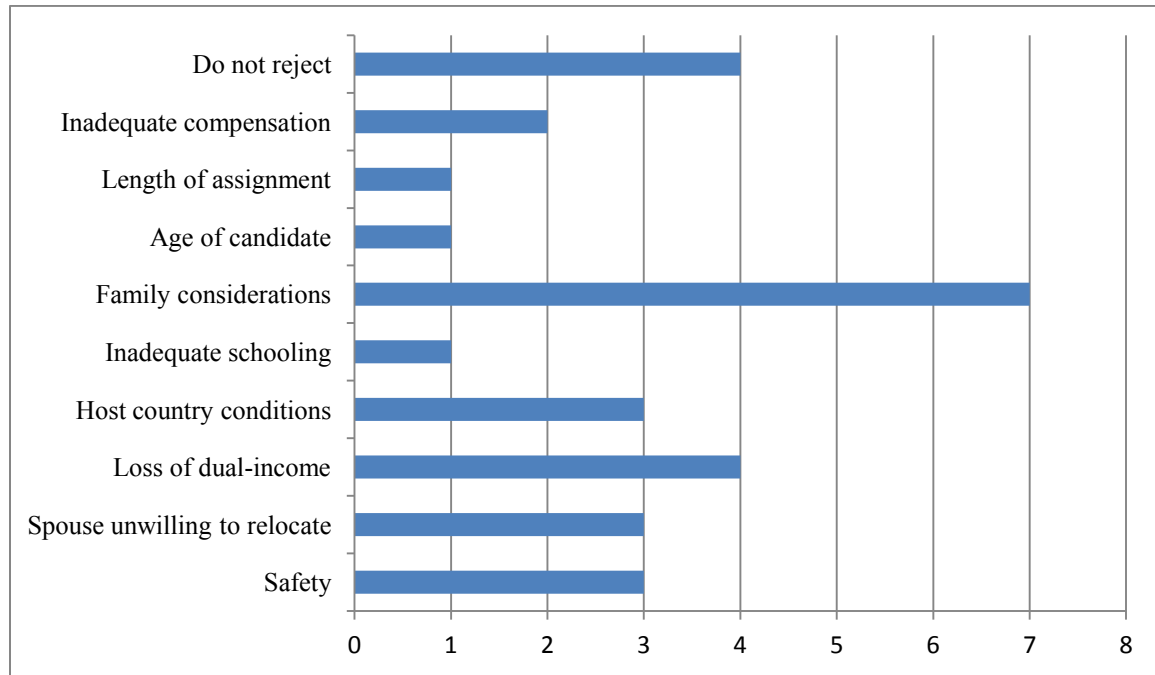
The subjects reported that male employees turned down expatriate assignments for many of the same reasons as their female counterparts, with only three other additional reasons being cited namely: the length of the assignment, the age of the candidate and inadequate levels of compensation. Subjects reported that family considerations remained an important factor even for male expatriate candidates, with seven expatriate managers citing their impact on the willingness of men to accept assignments. The second most stated reason for male employees rejecting assignments, reported by four subjects, related to the loss of dual income, with safety concerns, the unwillingness of their spouse to accompany the assignee and unattractive host country conditions being the third most cited reasons for rejection (refer to Figure 5.4 below).

Of interest is the fact that four subjects reported that generally their male candidates did not decline the opportunity to be assigned as expatriates.

These reasons given for male employees turning down expatriate assignments are consistent with those reasons reported in existing studies, where male expatriate candidates also regarded family considerations as important factors in their decision to accept or reject an expatriate assignment (Briscoe & Schuler, 2004:249; Shay & Tracey, 1997:32). Other reasons reported relate to the loss of dual income, the unwillingness of their wife/partner to accompany them on assignment as

well as inadequate compensation (Ball *et al.*, 2010:57; Briscoe & Schuler, 2004:315; Gomez-Mejia *et al.*, 2010:578).

Figure 5.4: Reasons for male employees turning down international assignments



5.14.3 Expatriate selection

When looking at expatriate selection, the subjects reported utilising a variety of selection techniques when selecting a candidate as an expatriate. Subjects did report making use of a number of selection techniques which proved common to the majority of the MNEs. As Figure 5.5 illustrates, a list of 11 selection techniques could be identified by the researcher, these being:

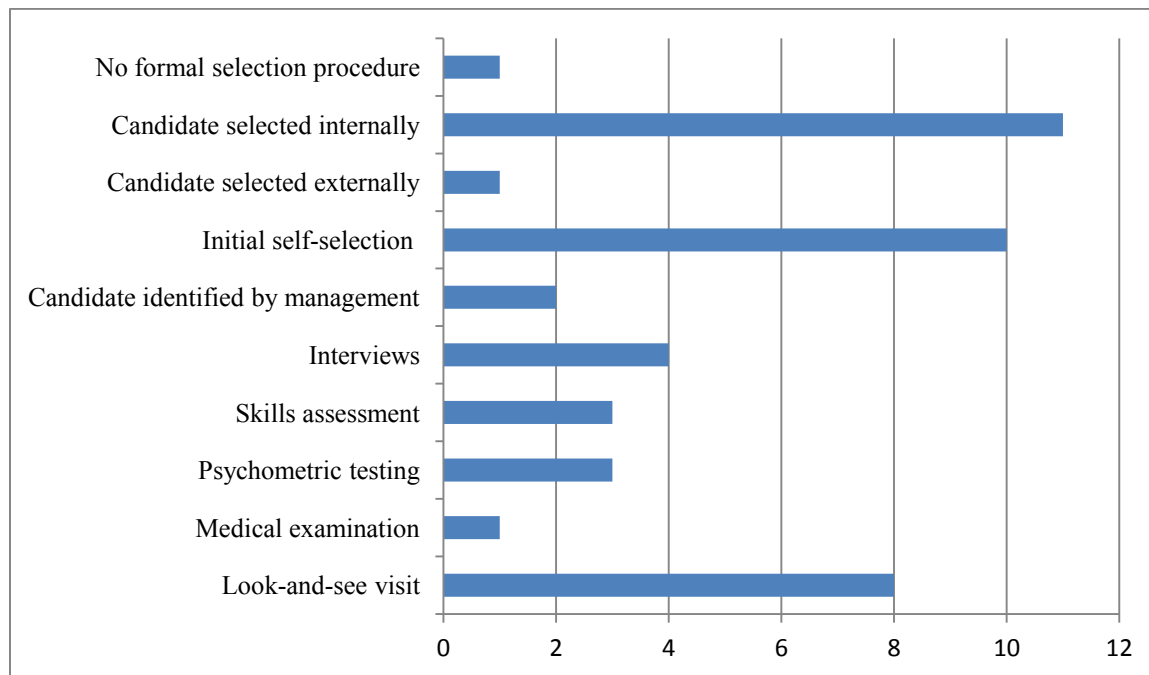
- No formal selection procedure
- Candidate selected internally: where candidates were sourced predominantly from within the MNE, often through various talent management programmes
- Candidate selected externally: where candidates were sourced from outside of the MNE due to an inadequate talent pool within the enterprise
- Initial self-selection: this relates to an initial phase of the selection process whereby candidates must express their interest in being considered for an expatriate position

- Candidate identified by management: this relates to the initial phase of the selection process, whereby management approaches certain individuals it believes would be best suited for expatriate positions
- Interviews: these included both panel interviews and one-on-one interviews with the enterprise's expatriate manager
- Skills assessment
- Psychometric testing
- Medical examination
- Look-and-see visits

Of the twelve MNEs, eleven sourced potential candidates for expatriate assignments from internal sources, with only one MNE reporting that it sourced candidates from outside the enterprise. Additionally, ten of the twelve MNEs reported that candidates made their desire to apply for expatriate assignments known through an initial process of self-selection; whereas only two MNEs reported that desired candidates were initially approached by management. Only one subject reported having no formal selection procedure with regards to expatriate selection.

The selection techniques utilised by South African MNE to choose suitable expatriate candidates are consistent with those reported to be used by other enterprises worldwide, and commonly include the use of formal skills assessments as well as internal job postings and self-selection procedures (Briscoe & Schuler, 2004:241; Edwards & Rees, 2006:196; Snell & Bohlander, 2010:671).

Figure 5.5 Expatriate selection techniques

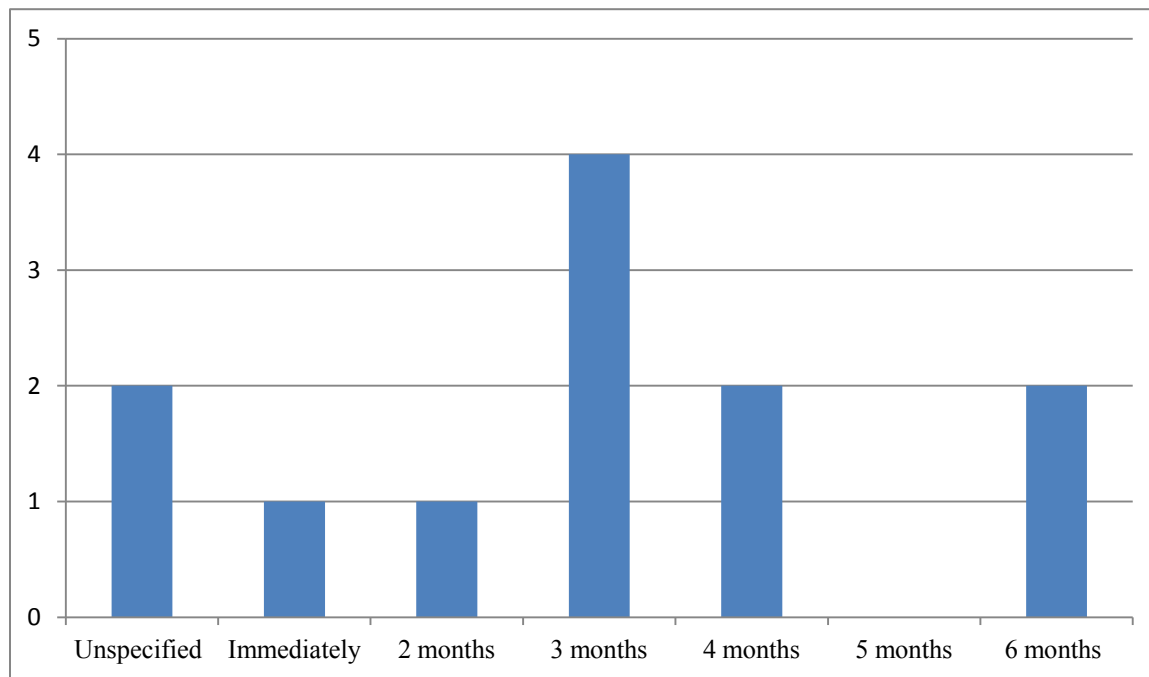


5.14.3.1 Selection time

The selection time of expatriate personnel varied between MNEs, with selection time referring to the time taken from identifying the need for an expatriate to the actual secondment of the chosen candidate to the host country. Figure 5.6 illustrates the frequency of these maximum selection times; showing that the most common maximum selection time for expatriate candidates is three months, with some enterprises reporting a selection time of four or even six months. Two subjects were unwilling to specify the selection time for their expatriates as times varied and were largely dependent on the host-country requirements. One subject reported that it was possible to assign candidates immediately to the host country.

These varied selection times are consistent with existing literature which reports that the length of time taken to select and assign an expatriate candidate varies depending on the regulations and policies within the host country as well as the comprehensiveness of the enterprises' selection procedures (Briscoe & Schuler, 2004:242).

Figure 5.6 Time from the start of the process to expatriation



5.14.3.2 Desired competencies and characteristics

Subjects identified a number of characteristics and competencies which they believed to be important for expatriate assignments, and were therefore valued in potential expatriate candidates. The researcher was able to identify 11 separate characteristics/competencies, namely:

- Adaptability
- Desire to work in the host country: this relates to an individual's readiness to work in certain host country conditions
- Technical skills: included here is the ability to perform one's job, financial acumen and internal business knowledge
- Leadership skills: including diversity management
- The MNE's best interest: this relates to the candidate having the enterprise's best interest at heart and being willing to pursue avenues of work which benefit the enterprise
- Cultural fit: an individual's ability to integrate into and adapt to the host-country conditions and culture

- Self-sufficiency: includes characteristics of maturity, being proactive and independent
- Desire to travel
- Open-mindedness: includes characteristics of tolerance and fairness
- Working well with ambiguity
- Desire to learn from others

When looking at Figure 5.7 it can be seen that subjects valued a candidate's technical skills most highly, with eight subjects highlighting their importance. This was followed by characteristics of adaptability to and cultural fit with the host country. Leadership skills were cited as the third most frequent competency, with four subjects stating their importance. Three of the twelve subjects valued open-mindedness, the desire to work in the host country and self-sufficiency.

Spousal support and the candidate's ease of relocation, although not characteristics or individual competencies, were reported by one subject as being important considerations when assessing a candidate's suitability for an expatriate assignment.

These competencies and characteristics valued in potential expatriate candidates are consistent with those highlighted in existing literature, with the majority of expatriate managers valuing the technical competency of a candidate above their level of adaptability and cultural fit (Briscoe & Schuler, 2004:242; Mendenhall & Oddou, 1985:39; Tung, 1987:118). Other studies report the importance of characteristics such as leadership skills, open-mindedness, self-sufficiency as well as cultural adaptability in expatriate selection (Griffin & Pustay, 2004:584; Mitrev & Culpepper, 2012:158; Verbeke, 2009:264).

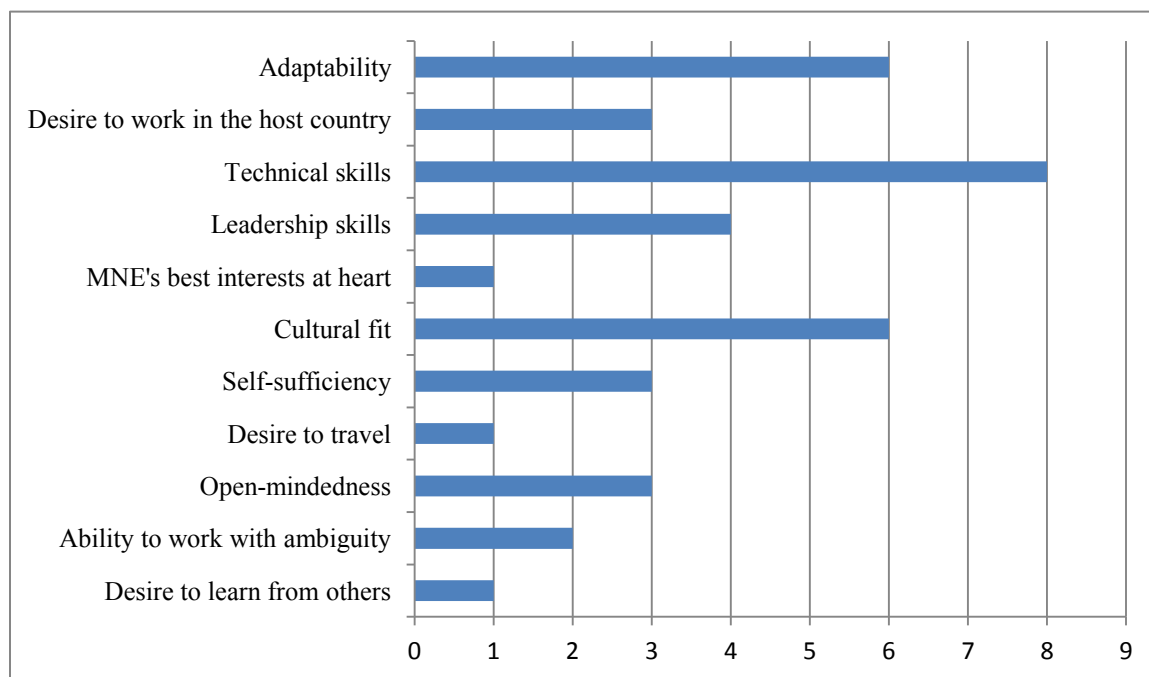
All 12 subjects reported that the desired characteristics and competencies did not differ between male and female candidates, and that they had no preference as regards assigning males over females for expatriate assignments.

This differs from Adler's (1984) study, as well as other existing research (Gruys *et al.*, 2010:52; Selmer & Leung, 2003:1118) which reports that in other enterprises worldwide, management may prefer assigning male employees over female employees in expatriate positions due to the prevalence of informal selection procedures as well as the lack of a proven track record for female expatriates (Adler, 1984:75; Gruys *et al.*, 2010:52; Schearf, 2008:38). Adler's study, in fact, reported that approximately 60% of managers working for MNEs in Europe were

apprehensive about assigning female employees as expatriates due to possible resistance from male peers and supervisors (Adler, 1984:75).

In the light of the fact that the desired characteristics/competencies of candidates were not influenced by the gender of the applicant, as well as the prevalence of candidate self-selection for the initial phase of expatriate selection, no support can be found for Proposition 3 of this study, that there is corporate resistance to selecting female employees for international assignments in South African MNEs.

Figure 5.7: Desired characteristics and competencies of expatriates



5.14.3.3 Improvement of the selection process

Seven subjects reported that they believed there was nothing they could do to improve their current expatriate selection process. The remaining five subjects who believed that there was room for improvement highlighted the need to formalise their induction and acculturation processes, start an expatriate development programme within the enterprise to nurture potential expatriate talent, and develop their South African talent pool from which to draw more candidates.

5.14.4 Foreign prejudice towards female expatriates

Six of the twelve subjects reported that they could not identify a country/region to which they would be unwilling to assign a female expatriate, and would feel comfortable sending a female expatriate to any region, provided that certain levels of safety could be guaranteed. Of the remaining six MNEs, three subjects stated that they would be unwilling to assign females to the Middle East, with two subjects specifically referring to Saudi Arabia, due to the levels of prejudice they believed women would experience within that country. The UAE was also mentioned by one subject as an area within the Middle East believed to harbour prejudice towards females. Of the three MNEs who reported this reluctance to assign female expatriates to the Middle East, only one actually had operations within the UAE. The remaining two enterprises merely held a perception that foreign prejudice towards female expatriates would be an issue in this region.

The remaining three MNEs which preferred not to assign female employees to certain territories did so due to safety concerns and not because of cultural prejudice towards females. These countries were located within Africa, and included Northern Zambia, Zimbabwe, the DRC, Sudan and Somalia. Although subjects perceived no prejudice towards females within these countries, managers were unwilling to assign female employees to these regions owing to the safety concerns brought on by wars, civil unrest and political conflict.

These results differ from existing literature, where it is reported that the most cited reason for the lack of female expatriate managers was the belief that female expatriates would be subjected to elements of foreign prejudice whilst on assignment which would make the successful completion of the assignment very challenging (Altman & Shortland, 2008:204; Hutchings *et al.*, 2011:1766). This aspect of foreign prejudice towards female expatriate managers was also cited by 84% of the subjects in Adler's (1984:75) study.

Therefore, as nine of the twelve subjects did not regard foreign prejudice towards female expatriates as a factor in assigning females to certain regions/countries and two of the remaining three based their answers on perceptions rather than experience; this research could not find support for Proposition 4, stating due to foreign prejudice South African MNEs are hesitant to send female employees on international assignments.

5.14.5 Importance of international experience for career progression

A clear majority of subjects believed that international experience was important if an individual, irrespective of gender, wished to move up within the enterprise. This was highlighted by eleven of the twelve subjects. With all 11 of these subjects reporting that although they had no formal policy in place which stipulated the importance of international experience for career development, it remained an important factor which was considered with regard to the promotion of candidates. Only one subject stated that although international experience was an important requirement in the past, it was no longer the case.

Related to this aspect of international experience and upward career progression within MNEs, eight subjects reported that many of their repatriates had been promoted upon the successful completion of their assignments (this was true even of the enterprise which stated that international experience was no longer an important consideration for one's progression within the MNE), with two expatriate managers reporting that, as they had only recently begun their expatriate operations, their assignees were still stationed within the various host countries and as a result could not be promoted yet, and a further two subjects explaining that in the majority of cases their repatriates either left the employment of the enterprise or chose to remain in the host country on a permanent basis.

These findings are consistent with existing literature where it has been reported that international experience, often attained through expatriate assignments, is vital should an individual wish to move up within the enterprise, and where 25% of senior managers have expatriate experience and approximately 24% of repatriates are promoted within the MNE immediately upon their return to headquarters (Altman & Shortland, 2008:200; Doherty & Dickman, 2012:3447). Additionally, Mayerhofer and Scullion (2011:825) report that 78.8% of expatriates stated that exposure to international assignments would greatly increase their chance of promotion within the enterprise.

Therefore, as the majority of subjects believed international experience to be an important consideration for promotion, as well as the fact that many of their repatriates had been promoted upon completion of an expatriate assignment; support can be found for Proposition 5 in this

study, that the upward career mobility of female employees within South African MNEs is enhanced by exposure to expatriate assignments.

5.14.6 Different levels of performance between male and female expatriates

All 12 subjects reported that they believed there was no difference between the performance of male and female expatriates. This sentiment was also expressed by those MNEs which currently had no females assigned as expatriates.

This finding is not consistent with existing literature, where it has been reported that female expatriates are able to adjust quicker than their male counterparts especially with regards to aspects relating to cultural adjustment and integration into the host country (Adler, 2002:750; Gruys *et al.*, 2010:54; Hasleberger, 2007:12). A number of reasons have been given for the greater levels of female expatriate adjustment, notably their greater visibility with the host country, their inherent ability to be more nurturing and thus foster strong relationships with HCNs as well as their network development skills (Cole & McNulty, 2011:147; Schearf, 2008:29).

5.14.7 Intentions to promote female expatriates

Of the twelve MNEs which were studied, only three have a desire and programmes in place to promote female employees as expatriates. Amongst the programmes already in place within these MNEs are initiatives to increase the number of female technicians, promote female employees to management positions as well as the establishment of graduate and development programmes for female employees.

Nine subjects reported that they currently had no plans to increase the number of female expatriates. Five subjects gave as a reason that their expatriate programme was not based on gender and that the most suitable candidate was selected for the position. Additionally, two expatriate managers reported that there were fewer female employees within management positions to be considered for expatriate assignments, and as they had just started their expatriate programme, they would not be promoting female expatriates yet. Finally, two of the nine subjects who had no intention of promoting specifically female expatriates were actively trying to reduce their expatriate operations altogether.

These findings are consistent with the existing literature. Due to the considerable costs associated with expatriate assignments (Naumann, 2011:500; McNerney, 1996:6; Van der Bank & Rithman, 2002:38), as well as existing literature pointing to a growing trend of alternatives to expatriate assignments, such as short-term expatriate assignments lasting less than one year, as well as frequent flyer or commuter assignments (Meyskens *et al.*, 2009:1441), it is understandable that some enterprises are choosing to scale-down their expatriate operations altogether.

5.15. CONCLUSION

This chapter focused on the findings of the interviews with expatriate managers of twelve MNEs across six industries in South Africa. Through examination of the case studies it was determined that the vast majority of expatriates assigned by South African MNEs are male, with the bulk of assignments being to host countries within the African continent. Male employees appeared to show more interest in expatriating for work purposes than female employees, with female employees choosing to turn down expatriate opportunities due primarily to family considerations, followed by the unwillingness of their husband/partner to accompany them on the assignment. The primary reason given by male employees for turning down expatriate assignments also related to family considerations, followed by the loss of dual-income should their wife be unwilling/unable to work in the host country.

The influence of corporate resistance in female expatriate selection was investigated through analysing the various expatriate selection techniques utilised by South African MNEs. These included the dominance of internal selection procedures as well as expatriate self-selection techniques, interviews, psychometric testing, look-and-see visits as well as formal skills assessments. The characteristics and competencies desired of potential expatriate candidates were investigated with technical skills, adaptability and cultural fit being valued highly in potential expatriate candidates. Other important characteristics and competencies included leadership skills, open-mindedness, self-sufficiency as well as working well with ambiguity and a desire to travel. It was found that the desired characteristics and competencies of potential expatriates did not differ between male and female employees, and management expressed no preference in assigning males over females for expatriate assignments.

The impact of foreign prejudice in the selection of female expatriates was considered, with the majority of subjects reporting that they did not perceive foreign prejudice to be a factor in assigning female expatriates abroad. Issues regarding expatriate safety, especially within Africa, were reported as having greater impact in the selection of female employees into expatriate positions and the assignment of expatriates in general.

The importance and role of international experience and one's upward career progression within the enterprise was established, as well as the stance held by South African MNEs with regards to the promotion of female expatriates in the future. Here, findings indicate that the majority of those MNEs studied have no desire to actively promote female expatriation in the coming years, with some even choosing to minimise their expatriate operations altogether.

The following chapter will provide a comprehensive discussion of the research findings and recommendations to South African MNEs for addressing the underrepresentation of female expatriates.

CHAPTER 6

CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

Saunders *et al.* (2012:607) refer to a conclusion as the section of a report in which judgements are made rather than facts reported. This chapter will therefore make judgements based on the facts presented in the preceding chapter. Recommendations involve suggestions for remedial action, and in the case of academic research are usually presented as ideas for future research. In applied research, recommendations relate to actual policies or proposals which may be implemented by management.

This chapter will begin with a brief literature review, highlighting the essential components of the preceding chapters, after which it will discuss the most important research findings. This chapter will conclude with recommendations to South African MNEs based upon the various research findings, and the identification of future research topics which were acknowledged by the researcher while conducting this study.

6.2 LITERATURE REVIEW

Chapter 1 provided a brief introduction to the study and identified the problem statement. It showed that a body of knowledge relating to the number of female expatriates assigned by South African MNEs was lacking, with very few studies having been conducted in this regard; nevertheless, such studies as existed mirrored similar reports of female expatriate underrepresentation throughout the rest of the world. This chapter also introduced and discussed the various propositions which were investigated, namely:

Proposition 1: The majority of expatriates sent on international assignments by South African MNEs are male.

Proposition 2: Female employees are not as interested in undertaking expatriate assignments as their male counterparts.

Proposition 3: There is corporate resistance to selecting female employees for international assignments in South African MNEs.

Proposition 4: Due to foreign prejudice South African MNEs are hesitant to send female employees on international assignments.

Proposition 5: The upward career mobility of female employees within South African MNEs is enhanced by exposure to expatriate assignments.

Chapter 2 was the first of two comprehensive literature chapters, in which the strategic importance of IHRM was established, due to the valuable, rare, inimitable, non-substitutable and exploitable nature of human resources. This was followed by an analysis of the various international strategies and staffing policies utilised by MNEs. The use of expatriate personnel was studied, including the complex problem of expatriate failure. The various recruitment and selection methods were looked at briefly, and the importance of expatriate preparation, training and support. Chapter 2 concluded with a discussion highlighting the importance of effective repatriation procedures and the need to secure human resource talent within the MNE.

Chapter 3 was the second and final literature chapter, with a focus on female expatriates. This chapter highlighted the underrepresentation of female expatriates on a global basis and in the South African context. The assumed barriers to female expatriation were also analysed, and associated work-life balance issues and additional female expatriate challenges. This chapter concluded with recommendations for addressing certain of these challenges.

Chapter 4 provided a discussion of the methodology used for this research, while Chapter 5 involved an in-depth analysis of each of the 12 case studies, followed by a discussion regarding the common themes and findings of this case analysis.

6.3 FINDINGS

The following section will provide a brief summary of the findings presented in Chapter 5, and will link these findings to the propositions of the study.

6.3.1 Demographic profile

This study comprised case studies drawn from 12 South African MNEs. These MNEs were all headquartered within South Africa and made use of expatriates. All 12 enterprises were classified as MNEs, since they had operations across national borders, and ranged in size from an enterprise with 1 400 employees to the largest enterprise consisting of 36 000 employees across its various international operations. These twelve enterprises were drawn from six broad industry groups active within the South African economy, namely:

- Mining
- Transportation and Logistics
- Agriculture, Fishing and Forestry
- FMCGs
- Telecommunications
- Financial Services

6.3.2 Number of female expatriates

When assessing the gender of the expatriates assigned by South African MNEs, it is clear that the vast majority, 95%, are male. This is consistent with existing literature, both internationally and in South Africa. In particular, the findings support those of Adler (1984:66), who found that 97% of the 13 388 expatriates studied were male, with more recent studies reporting female expatriate representation as ranging from 5% to 20% of international assignees (Hutchings *et al.*, 2011:256; Makela *et al.*, 2011:1763). This finding is also consistent with studies pertaining to the South African context, such as Vogel *et al.*'s (2008:35) study, which found that 89% of South African expatriates were male.

Although the underrepresentation of females in expatriate assignments is highlighted by these results, it is important to note that although the representation of female expatriates at an international level remains low, their participation in international assignments has seen an

increase in recent years. From Adler's initial study in 1984, when she found that female expatriates represented a mere 3% of assignees working for US and Canadian enterprises (1984:67), the percentage increased to 14% in 2002 and 16.5% in 2005 (Altman & Shortland, 2008:207; Munz & Ratajczak, 2007:34). More recent figures reflect the fact that female expatriates represent 20% of expatriates on assignment for US, European and Asian-Pacific MNEs (Hutchings *et al.*, 2011:1763). In South Africa, however, although information about the number of female expatriates assigned by South African MNEs remains sparse, it appears that the representation of female expatriates has not followed this upward trend exhibited by US, European and Asian-Pacific enterprises (Mathur-helm, 2002:20), with the representation of females in expatriate assignments falling from 11% (Vogel *et al.*, 2008:35) to a mere 5%, as is evident from this study. Therefore, it can be surmised that the number of female expatriates within South African MNEs is declining, as opposed to the increase, however slight, of female expatriates in US, European and Asian-Pacific MNEs.

One consideration in particular which influenced the number of female expatriates assigned by the MNEs in this study relates to the level of management which the candidate has attained. All 12 expatriate managers reported assigning expatriates who, at the time of assignment, were either in line to take up senior managerial positions, or else were already at high levels of the enterprise's management. This finding supports that of Scullion (1994:87). In the light of this, one must consider the aspect of female representation at top management level within the South African private sector. Currently South Africa lags behind the rest of the world in terms of this, with only 3% of South African enterprises having female CEOs, as opposed to the global average of 8% (Hern, 2011; Tholo, 2012). In addition, 21% of South African businesses still have no female representation at top management level, while the percentage of females in senior management positions has remained stagnant for the past five years (Grant Thornton, 2013). It is therefore reasonable to deduce that as there are fewer females in senior management positions, or in line to take up senior positions within South African enterprises, fewer women are eligible to be selected for international assignments.

A second consideration impacting on the number of female expatriates on assignment is the fact that seven of the twelve MNEs in this study assign expatriates in technical roles, such as mechanics for mining and agricultural equipment. Therefore male domination in industries such

as agriculture and mining, as well as the fact that technical staff are predominantly male, greatly influences the demographic profile of expatriates and contributes to the underrepresentation of female expatriates in South African MNEs. In addition, the living conditions in many of the host countries where these MNEs operate are different for technical staff and management personnel. For example, one MNE operating in the mining sector stated that due to the harsh living conditions within Angola, and the fact that technical/operational expatriates were housed in large condominiums dominated by single-status men, female expatriates were openly discouraged from accepting assignments to this country, as these living conditions were deemed unsuitable.

A last consideration identified by the subjects interviewed is the host-country conditions. Of the 12 MNEs studied, 11 assigned expatriates to countries within Africa, such as Zambia, Botswana, Mozambique, Nigeria, Tanzania, the DRC and Angola. Three MNEs reported that due to the nature of the working conditions within many of their African host countries, females were unwilling to take up assignments there. This was especially true of subsidiary operations in Ghana, Zambia, and Nigeria. Moreover, with South Africa's increased investment into Africa over the past decade, and its continued interest in the African continent (Berkowitz, Ramkolowan, Stern, Venter & Webb, 2013; Klein & Wocke, 2007; UNCTAD, 2014:39), this issue regarding the unwillingness of females to accept assignments due to adverse host country conditions looks set to continue.

This drive by South African MNEs to expand and establish operations throughout Africa differs significantly from the investment which occurred in the 1990s, which was focused predominantly on Europe (Netherlands, Germany and France), the UK and the US (Klein & Wocke, 2007; Verhoef, 2011:86). In particular, according to the United Nations Conference on Trade and Development (UNCTAD; 2014:37), FDI outflows from South Africa for 2013 were over US\$ 5.6 billion and were directed towards Mozambique, Nigeria, Egypt, Morocco, Sudan and Ghana. This figure almost doubled the outward FDI from 2012, and was powered by investments in telecommunications, mining and retail (UNCTAD, 2014:39). There has also been an increase in the number of cross-border Greenfield projects – the major investment type in Africa – originating from other African countries, increasing from approximately 10% (2003–2008) to 18% in 2013, with South Africa, Kenya and Nigeria being the major investors (UNCTAD, 2014:40). Interregional FDI has proved to be a highly effective means to integrate

smaller African countries into global production processes; this is certainly the case with southern African countries such as Malawi, Mozambique, Namibia, Uganda and Tanzania, who receive a sizeable amount of their FDI stock from South Africa, with Mozambique ranking fourth in terms of total inward FDI (\$13.3 billion). South African investment within Africa looks set to continue in the future, with the International Monetary Fund (IMF) predicting that over the next five years, 10 of the world's 20 fastest-growing economies will be in sub-Saharan Africa, with another two in North Africa (Gedye, 2013; Klein & Wocke, 2007). Therefore, as this level of interest and drive by South African enterprises to expand into Africa and capitalise on the envisaged economic growth increases, females will continue to face challenges due to the nature of the host country conditions. This too will have a direct effect on certain other considerations which influence candidates' willingness/ability to accept an expatriate assignment, such as family considerations and spousal issues.

As a result, with female expatriates representing only 5% of South African expatriates, support was found for Proposition 1 of this study: that the majority of expatriates sent on international assignments by South African MNEs are male.

6.3.3 Willingness of females to undertake expatriate assignments

Seven expatriate managers reported that females were less interested in taking up an expatriate assignment than their male counterparts. This result differs from the research of Adler (1984) as well as other authors, namely Hutchings *et al.* (2012:1767), Makela *et al.* (2011:261) and Shortland (2009:370) who found that male and female employees showed equal interest in expatriate assignments.

The belief by the majority of subjects that females were not as interested in international assignments as their male counterparts stemmed from a number of factors. One important consideration, as stated previously, is the country to which the MNE assigns its expatriates. This is especially relevant since 11 of the 12 MNEs assigned candidates within Africa. The harsh conditions experienced in many of these African countries were cited as a reason for females turning down expatriate positions, together with the issue of expatriate safety. Nine expatriate managers explained that they would be unwilling to assign female expatriates to certain African countries because of the safety concerns brought on by conflict within these countries. With

these factors in mind, it is not surprising that many female employees are indeed unwilling to be selected for expatriate assignments. As stated previously, this issue regarding the location of the assignment will continue to pose challenges for female expatriates, especially as more South African MNEs continue to expand into Africa (Berkowitz *et al.*, 2013; Klein & Wocke, 2007).

Females who did apply for expatriate assignments, or who were approached to do so but ultimately declined the expatriate assignment, did so for a number of reasons. Of interest is the fact that all of the reasons for female employees rejecting assignments were based on family/personal factors, the primary reason being family considerations, cited by eight of the twelve enterprises. These family considerations include the issues of relocating the whole family unit, leaving dependants in the home country, and the stress imposed on any children during the relocation. This therefore is consistent with existing literature, which has found that female employees are less willing to accept expatriate assignments due to considerations for the wellbeing of the accompanying children (Adler, 1984:8; Cabrera, 2009:10; Kollinger, 2002:1246; Makela *et al.*, 2011:260; Shortland, 2011:213; Sullivan & Mainiero, 2007:13). This also links to the third most commonly reported reason inhibiting female expatriation, which specifically relates to the candidate's concern over inadequate schooling for her children within the host country, which was cited by five of the twelve expatriate managers.

The unwillingness of the spouse to accompany the expatriate was another factor reported by seven expatriate managers. This factor was the second most common reason for females rejecting international assignments. This finding is consistent with existing literature, which reports females turning down expatriate opportunities because of the male's career taking priority, especially if he is the breadwinner of the family (Adler, 1984:8; Shortland, 2011:273). Thus even though female employees may be willing to expatriate, they are unable to transform this willingness into a viable application because of family considerations (Makela *et al.*, 2011:261).

Support was therefore found for Proposition 2 of this study: that female employees are not as interested in undertaking expatriate assignments as their male counterparts.

6.3.4 Corporate resistance to selecting female employees for expatriate assignments

The majority of the MNEs studied made use of a number of selection procedures and techniques when screening candidates for expatriate positions and ultimately attempting to assign the most suitable individual for the position. These selection procedures were in line with those utilised by other MNEs and included common techniques such as interviews, formal assessments, internal job postings and self-selection procedures (Briscoe & Schuler, 2004:241; Doornenbal, Stitselaar & Jansen, 2012:10; Edwards & Rees, 2006:204). Only one enterprise reported having no formal selection procedure for its expatriate personnel, while one other enterprise reported having a formal selection procedure that was nevertheless based on management approaching desired candidates whom it believed to be suited to the assignment; this would therefore allow for some form of selection bias. This is substantiated by existing literature, which indicates that the lack of a formal selection procedure tends to favour men, as those in the ‘old boys’ network’ choose people similar to themselves (Hutchings *et al.*, 2011:1766).

In this regard, however, all 12 enterprises reported valuing the same characteristics/competencies in applicants, irrespective of gender; all 12 MNEs stated they had no preference as to assigning males over females in expatriate positions. One must note, however, the possibility that a degree of unconscious bias towards female expatriate candidates may have been present (Vanderbroek, 2010:768).

The most important characteristic/competency according to the expatriate managers, was that the candidate should possess exceptional technical skills in order to complete the required job within the host country. The second most important characteristics were those of cultural fit and adaptability, followed by the leadership skills of the individual. This is consistent with previous research, which found that many MNEs place a greater emphasis on the candidates’ qualifications and technical abilities than on cultural sensitivity (Black & Gregersen, 1999:54; Gomez-Mejia *et al.*, 2010:577). This is because the individual’s technical competency is believed to prevent immediate failure while on assignment (Tung, 1987:118). This is also consistent with South African research where it was found that South African expatriates are selected predominantly based on their technical competence (Eybers, 2013:137).

As the characteristics valued by South African MNEs were consistent with existing literature on the subject, and as no distinction between males and females was made by expatriate managers with regard to these valued characteristics, they were deemed to have no influence on limiting the number of females selected for expatriate assignments. Therefore it may be surmised that no support exists for the third proposition, which states that there is corporate resistance to selecting female employees for international assignments in South African MNEs.

The fact that no evidence of corporate resistance could be found with regard to the selection of female expatriates within the South African MNEs which were studied does correspond with a number of efforts made by the South African government to prohibit discrimination within the workplace and increase female representation within the public and private sectors. This can be illustrated by the fact that in 2013 South Africa ranked eighth out of 189 countries in terms of female representation within parliament (Beall, 2010:139; Buthembu, 2009; Mbalo, 2009). And although females remain underrepresented within senior management, South African enterprises have seen an increase in the number of senior management positions occupied by women, with the number of female CFOs having increased from 14% in 2012 to 32% in 2013 (Grant Thornton, 2013).

South African legislation has also supported the drive to increase female representation within the private sector by implementing the Employment Equity Act, No 55 of 1998, in an attempt to promote equity and equal opportunity in employment through eliminating unfair discrimination and trying to redress the disadvantages experienced in the past by designated groups, which include women. More recent initiatives taken by government to promote females within senior management include the proposed implementation of the Women Empowerment and Gender Equality Bill (WEGE) in 2015. This bill aims to ensure an equal representation of men and women in decision-making positions in both the private and public sectors (Aronsson, 2012; Bealle, 2010:139; Goko, 2013). By focusing on increasing females' representation within the private and public sectors, the South African government may also make headway in terms of gendered development within the country and changing the way South African enterprises 'do gender' (Bealle, 2010:138; West & Zimmerman, 1978:126). As female representation in parliament and at top management level increases, these roles may cease to be viewed as masculine positions, and may therefore become more appealing to women.

In the private sector specifically, a small number of MNEs are involved in dedicated drives to increase the number of females, not only in senior management positions, but in expatriate positions as well. Of the 12 MNEs included in this study, three enterprises had programmes in place to promote females within top management and to encourage women to accept international assignments. These ranged in complexity from efforts to increase the number of female technicians through select training programmes to the development of enterprise-sponsored expatriate programmes specifically aimed at talented graduates. Internal policies were also implemented, centred on the promotion and empowerment of female employees, seeking to enhance their skill-set and providing talented individuals with opportunities to move up within the enterprise. Therefore, through initiatives pursued by both the South African government and select MNEs, progress, however slight, is being made to promote females within senior management and technical positions and therefore promote the representation of female expatriates.

6.3.5 The influence of foreign prejudice and female expatriate selection

Of the 12 MNEs that were studied, only three expressed hesitancy in assigning female expatriates to certain countries due to perceptions of foreign prejudice, while another three expressed hesitancy in assigning female expatriates to certain countries due to safety concerns. A distinction must be made, however, between those countries where the enterprises operate, and as a result are hesitant to assign females, and those countries where expatriate managers merely have a perception that female expatriates would be subjected to foreign prejudice. Managers were unwilling to assign females to the Middle East region, specifically within Saudi Arabia and the UAE, due to the cultural prejudice they believed females would be faced with in these regions. Of the three MNEs who reported this, only one actually had operations within the UAE, and the belief of this MNE was that female expatriates would experience difficulty, not in their professional capacity, but more in their day-to-day living. Therefore, the remaining two enterprises merely held a perception that foreign prejudice towards female expatriates would be an issue in these countries.

These concerns are consistent with views held by many MNEs worldwide, which show a resistance to assigning female expatriates to the Middle East due to perceived cultural prejudice (Harrison & Michailova, 2011:625; Makela *et al.*, 2011:257). This perception regarding the

presence of cultural prejudice towards female expatriates has in practice proved to be incorrect, with numerous authors reporting that those female expatriates who do undertake assignments do not experience prejudice, even in countries believed to be openly hostile towards women (Adler, 1988:17; Altman & Shortland, 2008:204). In a study by Harrison and Michailova (2011) it was reported that the region with the most negative perception with regard to female expatriates and perceived prejudice was the Middle East, but that in certain countries such as the UAE, female expatriates were pursuing successful careers. Harrison and Michailova (2011: 635) also reported that the majority of the female expatriates interviewed did not experience great cultural adjustment challenges when living and working in the UAE, with 80% of respondents choosing to return to work within the UAE or extend their time in the region beyond the initial time of commitment for the expatriate assignment. The current study therefore indicates that three of the South African MNEs harbour the same false perceptions as other MNEs regarding the supposed impact of cultural prejudice against female expatriates, especially within the Middle East.

The other countries to which the remaining three expatriate managers expressed their hesitancy to send females expatriates were within Africa, in particular countries such as Sudan, Somalia, Zimbabwe, Zambia (in particular Northern Zambia), the DRC, Mozambique and Angola. Although subjects believed that there was indeed no *cultural* prejudice towards females within these countries, their concern was for the expatriate's safety due to political unrest and conflict. Of interest is the fact that, in terms of expatriate safety, all but one MNE reported making no distinction between male and female expatriates, in the sense that if the host country was deemed unsafe no expatriates would be assigned there, irrespective of gender. The one exception stated emphatically that although the enterprise might, within reason, consider assigning males to potentially hostile locations, management felt more protective towards females in general and therefore would definitely not consider sending females to hostile locations.

It is important to note that, although only three of the MNEs were openly against assigning expatriates to these African countries, all 12 enterprises remarked upon the importance of ensuring the safety of their expatriates. This is therefore consistent with existing research, which highlights the importance of effective emergency guidelines and safety procedures in response to terrorism threats, natural disasters and exposure to disease, which should be implemented by the enterprise to ensure the safety of the expatriate and his or her accompanying spouse and family

while on assignment in the host country (Briscoe & Schuler, 2004:381; Druchman *et al*, 2012:1118).

Thus this research, with only three subjects reporting a hesitancy to assign female expatriates to Middle Eastern countries, and with only one actually operating in the Middle East, did not find sufficient support for the fourth proposition, which states that due to foreign prejudice South African MNEs are hesitant to send female employees on international assignments. This element of prejudice, however, seems to apply only to Middle Eastern countries, with the general safety of male and female expatriate personnel being considered as having more influence in the decision regarding which countries to assign expatriates to. As this issue of expatriate safety is highly important, together with the fact that South African outward FDI within Africa looks set to increase (Gedye, 2013; Verhoef, 2011:89), this does not bode well, in theory, for an increase in the number of female expatriates.

6.3.6 International assignments and the upward career mobility of female employees

A clear majority, 11 of the 12 expatriate managers interviewed, believed that international experience was important for one's positive career progression within the MNE. This was true irrespective of the candidate's gender. Managers believe that international experience equip candidates with a broader perspective and allows for greater development in the candidate's personal and emotional capacity; which can prove beneficial, especially in demanding managerial roles. However, none of the 12 enterprises had a formal policy stating its importance. Nevertheless, eight expatriate managers reported that they had a number of staff members promoted upon their repatriation back to the home country. Moreover, those staff members who chose not to return to the home country but rather take up a subsequent expatriate assignment were generally promoted to a higher managerial level in that host country. The individual's promotion in both instances was, however, largely dependent on his or her successful completion of the initial expatriate assignment. This finding is consistent with existing literature on the subject, which found that expatriate assignments, for both men and women, are regarded as being crucial if the person wishes to advance within the enterprise (Altman & Shortland, 2008:200). A study conducted by Gomez-Mejia *et al.* (2010:576) reported that 41% of respondents believed that individuals with expatriate experience were able to secure better positions within the enterprise, with 39% of respondents stating that repatriates were promoted

faster (Kraimer, Shaffer & Bolino, 2009:29). Moreover, Ren, Bolino, Shaffer and Kraimer (2013:1297) reported that expatriates who had a mentor either in the home or host country were more likely to be promoted. This can be attributed to the fact that mentorship programmes help ensure the successful completion of the expatriate assignment. This positive relationship between international experience and upward career progression of individuals within MNEs is highlighted further in a study conducted by Doherty and Dickmann (2012:3447), which found that 25% of senior management had, had expatriate experience, with almost 24% of repatriates being promoted immediately upon their return from a successful assignment; this figure increased to 40% in the one to two years following the assignment.

Only one subject reported that international experience was not important for one's career progression within the enterprise. In this case management did acknowledge that candidates who had been exposed to international assignments had developed better emotional/personal skills, as well as a broader perspective; however, management stressed that these were not important considerations for promotion within the enterprise.

It is thus reasonable to conclude that as international experience is deemed an important consideration for promotion, female employees wishing to move up within the MNE should actively pursue avenues of international exposure. Therefore the study has found support for the fifth and final proposition: that the upward career mobility of female employees within South African MNEs is enhanced by exposure to expatriate assignments.

6.3.7 Additional considerations

This study also investigated elements such as the duration of the expatriate assignment, the expatriate selection time and the desired characteristics and competencies of expatriate candidates. These, together with their influence on the selection of female expatriates, will be discussed briefly:

- **Assignment duration:** the majority of South African MNEs which were studied assigned expatriates for a period of two to five years. This is consistent with existing literature, which acknowledges this as the accepted duration for standard expatriate assignments (Ball *et al.*, 2010:575; Meyskens *et al.*, 2009:1441). One enterprise reported assigning expatriates on a yearly basis, whereupon their contracts were renewed. The longest standard contract length

was for a maximum of six years, with two enterprises reporting that their expatriates at senior management level were assigned indefinitely to the host country. Although the standard duration of expatriate postings varied between the MNEs, this had no influence on the number of females assigned as expatriates.

- **Expatriate selection time:** the time taken for expatriate managers to select an individual to fill the expatriate position and be assigned to the host country varied among the South African MNEs. The most common timeframe was three months; with four subjects reporting this. A further two subjects reported that it took them four months to assign an expatriate, with another two MNEs stating that an expatriate selection time of six months could be expected. Expatriate managers pointed out that it was difficult to judge exactly how long it would take to assign an expatriate, since many of the governmental and transfer procedures were specific to the various host countries, with some countries proving more difficult to acquire work permits for than others. In addition, the specific circumstances of the MNE could also greatly influence the ease with which management could assign expatriates. For example, one MNE active in the FMCG sector could acquire work permits for its expatriates within Nigeria with relative ease because its CEO was Nigerian and had fostered good relationships with the relevant authorities. Therefore, because the selection times for expatriates varied, and were dependent on the requirements of the host country's government as well as the circumstances of each MNE, no connection could be established between the time taken to select expatriates and the selection of female expatriates.

6.4 RECOMMENDATIONS

Though this study found that female employees are very much underrepresented on international assignments it was determined that the following were not contributing factors to this fact:

- Corporate resistance towards female expatriates
- Foreign prejudice towards female expatriates
- The desired characteristic and competencies of candidates
- Assignment duration
- Expatriate selection time

However, even though successfully completing an international assignment is important for career progression in all but one of the MNEs, female employees were found to be less interested in international assignments. With this in mind, the following could be addressed by MNEs to help improve the percentage of female employees accepting international assignments:

- The number of female employees in senior management positions
- Safety concerns during assignments
- The number of female employees in technical positions
- Unwillingness of the spouse to accompany his wife/partner
- Host country conditions which are unattractive to the candidate
- Concerns over adequate schooling for accompanying children
- Concerns over adequate housing

The following recommendations can therefore be made in order to address the areas of concern holding back females from expatriating for work purposes. It should, however, be noted that the practicality of these recommendations should be considered, to ensure that the costs do not exceed the benefits (McNerney, 1996:6). This was a point highlighted by two of the MNEs in this study, which indicated that they were terminating their expatriate programmes for exactly this reason.

6.4.1 Female representation at management level

As the majority of MNEs source their expatriates from within their enterprise, the development of an internal talent pool is paramount in ensuring that there are suitable candidates available for selection. The deficiency of South Africa's current talent pool, both within each enterprise and in the country as a whole, was commented on by a number of expatriate managers; the emigration of individuals with technical skills or knowledge (commonly referred to as 'brain drain') depletes the pool from which MNEs can select expatriate talent and they are forced to source from subsidiaries or externally.

It is therefore important that South African MNEs actively develop talent within their enterprise, not only in an effort to keep individuals within the employment of the enterprise and prevent the loss of talent through brain drain; but also to improve the calibre of expatriate candidates.

Various developmental programmes may be put into place, some of which MNEs already make use of, such as leadership, financial and customer-focused programmes. These types of programmes may also be used to promote female talent specifically, as research indicated was the case with very few of the MNEs studied. Only three enterprises had developed programmes tailored specifically towards the promotion and development of their female personnel; these happened to be the same enterprises that were interested in encouraging the use of female expatriates in future.

Although it is encouraging to note that in the South African business sector 27% of senior management positions are held by women, beating the global average of 20% (Hern, 2011; Grant Thornton, 2013), there remains considerable room for improvement when one considers that only approximately 17% of women working for JSE-listed companies hold senior positions (Grant Thornton, 2013; Wealth Wise Magazine, 2013). It is, however, not suggested that enterprises merely assign female employees as expatriates regardless of their level of skill or fitness for the position, but rather that the MNEs develop female managerial talent within the enterprise; there will then be a larger proportion of females within the pool of suitable candidates from which to select the most appropriate individual, irrespective of gender. Already South African legislation supports the promotion of females into senior management positions through the enforcement of the Employment Equity Act No. 55 of 1998, which has certainly contributed towards the increase in female executives; it is also encouraging to note that the South African government plans to continue its drive for female empowerment and equal representation of women in business, with the proposed implementation of the Women Empowerment and Gender Equality Bill (WEGE). Therefore, as South Africa is certainly making progress in this regard, especially within government and the public sector, it is suggested that private enterprises embrace these various initiatives, and develop their own internal programmes, as some MNEs are currently doing.

6.4.2 Safety concerns

In addition, many female candidates consider safety issues as important, and do turn down expatriate assignments due to these concerns. At the same time, expatriate managers unanimously affirmed the importance of ensuring the safety of their expatriate personnel, and in most cases afford their top executives with additional security/safety measures while in the host

countries (Briscoe & Schuler, 2004:382). These safety measures offered to top executives are more comprehensive than those offered to operational/technical staff, and range from trained chauffeurs to private security details and home security (Briscoe & Schuler, 2004:382; Coyne & Bell, 2012:124). Therefore, as senior management are provided with more comprehensive security and safety benefits, although it would be impractical and costly to offer the same level of security to all staff members, if senior female employees are assigned as expatriates in hostile locations, they should be offered the same security benefits as those afforded to executive-level expatriates. Thus, as more female employees are promoted into senior management positions, and provided with comprehensive security benefits, their fears with regard to accepting expatriate assignments in hostile locations will be reduced, and they will be more likely to accept the assignment.

6.4.3 Development of technical skills

Since seven of the twelve MNEs reported assigning a large proportion of technical staff as expatriates, especially within the mining, agricultural and transportation and logistics industries, it is important to develop female employees' technical skills. Of the enterprises studied, only one currently has programmes in place to increase the number of female technicians within the enterprise.

An example of initiatives taken to promote the number of women in technical fields in South Africa is The Association of South African Women in Science and Engineering (SA WISE). This association pursues this objective by raising the profile of women scientists and engineers, highlighting challenges faced by women within these fields and providing leadership and role models for young people who wish to enter these respective fields (SA WISE, 2014). Additionally, South African Women in Engineering (SAWomEng) is another organisation endeavouring to increase the number of women within the engineering field through the implementation of a youth development programme called GirlEng as well as a networking platform for female engineers (MECS Africa, 2014). Through the implementation of such initiatives South African enterprises can encourage females to pursue technical and scientific careers, thereby providing a platform from which more females may enter MNEs in technical positions and increasing the number of females who may be selected to fill expatriate positions. Although this is an encouraging trend, there remains ample room for improvement and

development of other such mentorship initiatives aimed at females, both by government and enterprises.

Another initiative pursued by the South African government in order to promote the number of women in technical fields, such as the mining industry, is the enforcement of the South African Mining Charter. This charter required enterprises to ensure that a minimum of 10% of their total workforce were women by 2009, and resulted in an increase in the number of female employees in operational roles from miners, to equipment operators as well as plant managers (CAI, 2011). The South African Department of Mineral Resources (DMR) does note, however, that although a number of mining companies have complied with this Charter, the incorporation of female employees into non-support and management positions remains slow (CAI, 2011; DMR, 2009).

6.4.4 Spousal support

The study highlighted the fact that the second most cited reason for female employees rejecting international assignments was the unwillingness of her spouse to accompany her on an international assignment. This was cited by seven of the twelve MNEs, and was predominantly due to the husband's career taking priority or his inability to secure a work visa for the host country. This was linked to another of the reasons for females turning down assignments, namely their concern over the loss of dual income. A study by Cole (2011:1506) determined that 90% of female expatriates reported that the happiness of their spouse influenced the continued success of the assignment. Therefore, as the happiness of the female expatriate's spouse is a major consideration, it is imperative that the MNE make every effort to provide support to the trailing spouse (Makela *et al.*, 2011:260; Cole, 2012:312). This study discovered that at present very few of the South African MNEs interviewed provide support for the accompanying spouse. Therefore, it is suggested that South African enterprises imitate other global MNEs which have implemented effective spousal support programmes such as:

- **Providing work permits:** very few South African MNEs provide assistance in securing work permits for the accompanying spouse, irrespective of the gender of the expatriate. This is especially difficult for male accompanying spouses, since they may experience difficulty in adjusting to the role reversal and are generally unwilling to give up their careers. However,

if the MNE were to help secure work permits for the spouse, he might be more willing to accompany his wife on assignment (Cole, 2011:1506; Collings *et al.*, 2011:1366).

- **Job assistance:** some enterprises do pay for the use of a job placement agency in the host country, in an attempt to help secure work for the accompanying spouse; this also includes assistance with preparing a resume in a format accepted by local enterprises in the host country (Collings *et al.*, 2011:366; Sievers, 1998:S9).
- **Paying for further studies:** if the MNE is unable or unwilling to assist the accompanying spouse in securing employment within the host country, some enterprises may help with the reimbursement of education-related costs in compensation for the loss of spousal income, as well as the provision of childcare to facilitate and encourage the attendance at courses and workshops to further the accompanying spouse's skills and studies (McNulty, 2012:433).
- **Access to clubs and social organisations:** in some cases MNEs provide the expatriate, as well as the accompanying spouse and family, with access to a variety of local clubs and social organisations within the host country. These organisations essentially provide the expatriate and spouse with advice and administrative support, as well as access to local sporting, music and entertainment clubs and facilities. The MNE may also provide training in networking skills for the expatriate spouse (McNulty, 2012:433). This allows the assignee, as well as their accompanying family to experience aspects of the host country's culture, as well as integrating with other expatriate families and HCNs (Collings *et al.*, 2011:366; Harvey *et al.*, 2010:214; McNulty, 2012: 420).
- **Local mentors:** in order to facilitate the cross-cultural adjustment of both the expatriate as well as the accompanying spouse, it is advisable that MNEs ensure that formal or informal mentorship programmes are made available, irrespective of the employment position of the accompanying spouse (Gupta *et al.*, 2012:10). In many instances the mentor may be a HCN who assists the expatriate spouse in developing social networks, offers career support and advice as well as other psychosocial support functions (Gupta, *et al.*, 2012:10; Harvey *et al.*, 2009:1358; Shortland, 2009:373).

6.4.5 Improving host country conditions

Another reason given by females for not accepting expatriate assignments was the harsh living conditions experienced within certain host countries, especially in Africa. This was cited by three

of the twelve expatriate managers. It is of course unrealistic to expect the enterprise to actually change conditions within the host country. Yet by offering comprehensive support packages to expatriate personnel, as is often the case with expatriates at senior management level, the MNE may be able to reduce the adjustment challenges experienced by many expatriates and make the assignment more appealing especially within countries which are deficient in basic infrastructure, modern conveniences, shopping facilities and adequate housing (Briscoe & Schuler, 2004:315; Sims & Schraeder, 2005:103).

Providing comprehensive healthcare cover to expatriates and their accompanying family members is one suggested measure to reduce concerns harboured by female expatriate candidates with regard to accepting assignments, especially in Africa where healthcare facilities are limited and basic. Today common practice involves the MNE contracting with insurance companies that offer special plans tailored to the specific needs of expatriates (Briscoe & Schuler, 2004:315; Sims & Schraeder, 2005:103). Other support practices which may improve the living conditions experienced within the host country and thus make expatriate assignments in countries with challenging conditions more appealing to female employees, include the provision of logistical support such as housing allowances and transportation. Depending on the associated cost of housing in the host country compared to the home country, the expatriate may be provided with a housing allowance which allows the assignee to rent accommodation equal to or better than that which he/she had in the home country (Collings *et al.*, 2011:366; Briscoe & Schuler, 2004:315). Additionally, many expatriates, especially those assigned within Africa, are supplied with drivers and company vehicles. It is important to note that, in most cases, these health, transportation and housing benefits are provided in order to improve the living conditions of senior level expatriates; and therefore by increasing the number of female expatriates at senior management level who would then have access to such benefits would result in improved conditions within the host country for the assignee.

6.4.6 Schooling for accompanying children

A point raised by five of the twelve expatriate managers was the concern that many of their female candidates expressed regarding the level and quality of schooling available for their accompanying children in certain host countries. When the MNE covers the cost of adequate education for expatriate children, it makes it easier for the children to integrate back into the

home country's school system once the expatriate assignment is completed. If the enterprise includes an allowance for, or covers entirely the cost of the accompanying children's education, the expatriate often considers this to be a critical component of the compensation package (Ball *et al.*, 2010:584; Rahim, 2012:189; Sims & Schraeder, 2005:104). This does, however, often prove extremely costly for the MNE, especially if the expatriate has more than one child enrolled in an international school. This is the case in Angola, where it costs approximately US\$50 000 per annum for each child enrolled at the international school. This is a cost which the management of one MNE in particular cannot cover, and therefore children are not permitted to accompany the expatriate on assignments to Angola. This therefore restricts the number of female expatriates willing to accept assignments within this region.

The costs associated with international schools, as well as the quality of the schooling system within the various host countries, are largely specific to each individual country. Many MNEs stated that they were willing to cover the costs associated with expatriate children's schooling as long as these costs were not totally exorbitant (as is the case in Angola); and that this was an element of the expatriate's compensation package typically offered only to expatriates at senior management and executive level (Warneke & Schneider, 2011:239). Therefore, more females may be encouraged to accept expatriate assignments if the enterprise is willing to cover entirely or subsidise the cost of adequate schooling for their accompanying children. Moreover, if the MNE has a large number of expatriates within a certain country, it might prove beneficial for the enterprise to establish its own international school within the host country, as is the case with Royal Dutch Shell which has an Education Services division within their management structure and maintains and operates nine 'Shell Schools' across the globe, providing primary education for staff and expatriate children up to the age of twelve years old (Mainwaring, 2012). This, although initially expensive, provides the MNE with more control over the standard and eventual cost of providing schooling for expatriate children (Gupta *et al.*, 2012:19).

6.4.7 Providing adequate housing within the host country

Assisting the expatriate in securing adequate housing within the host country is a crucial factor in successful expatriate adjustment (Collings *et al.*, 2011:366; Rahim, 2012:189; Sims & Schraeder, 2005:103), but is also a reason why female employees turn down assignments. This consideration was mentioned by only one subject in this study, who addressed the fact that

although the enterprise provided housing for both technical and managerial expatriates, the standard and quality of housing differed considerably depending on the level of seniority of the expatriate. This, although generally acceptable to male expatriates, proved problematic when the enterprise wished to assign female employees who were assigned as technical/operational staff. In Angola, for example, all technicians are housed in basic, communal compounds, in remote locations. These compounds are deemed to be unsafe and unsuitable for females. Expatriates who are assigned as managers to the host country, however, are provided with private housing at a level equal to or better than that which was available to the candidates in their home country. This is provided in the form of a housing allowance, whereby the MNE generally pays rent in excess of 15% of the expatriate's salary (Briscoe & Schuler, 2004:313; Rahim, 2012:189). Housing allowances, however, generally vary depending on the marital status and job grade of the assignee (Auzini, 2012:3). Therefore, as stated previously with regard to safety concerns of female expatriates, it can be seen that the support and benefits offered to expatriates at management level are far greater than those made available to operational and technical staff, therefore it may be surmised that these concerns harboured by female assignees may be alleviated if more female employees in senior management positions were to be assigned as expatriates as more comprehensive benefits would be provided to them.

6.5 FUTURE RESEARCH

Future research could focus on conducting a quantitative study on a larger sample which would be more representative of the different industries within the South African economy, or an industry-specific analysis, in which each industry could be analysed in order to glean highly specific information on each industry.

In addition, with regard to future South African female expatriate research, attention should be directed towards the study of the work-life balance of female expatriates and the unique challenges faced by these women, who are required to balance the demands of an expatriate career and the stereotypical female role of homemaker.

Finally, another area identified for future research is the challenges faced by the accompanying male spouses of South African female expatriates, and initiatives which may be taken to help them in their successful integration into the host environment.

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APPENDIX A: CASE-STUDY PROTOCOL

REASONS FOR THE UNDER-REPRESENTATION OF FEMALE EXPATRIATES IN MULTINATIONAL ENTERPRISES

Interview Protocol

- **Brief introduction about the purpose of the study-** The purpose of this study is to describe the reasons for the under-representation of female expatriate managers. Various issues will be analyzed regarding the selection of expatriates in general, the current representation of expatriates, reasons for declining an assignment as well as the competencies desired of expatriates before they are selected for an assignment. The questions in this study are semi-structured, and additional detail will be requested by the researcher should the interviewees' answers prove lacking.
- **Discuss and assure confidentiality-** A letter discussing their confidentiality will be supplied to each interviewee before the interview begins. Before the interview begins the following questions will be asked of the interviewee:
 - *Are you willing to participate in this interview, for the record?*
 - *Do you have any objections to this interview being recorded?*
 - *You may return to any question during the interview should you wish to do so, and you are free to terminate the interview at any time.*
- The researcher will set up and test the recording device
- The interview will be timed.

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates?
- Q: In which industry would you classify your business?
- Q: How large is your enterprise? That is, approximately how many employees do you have worldwide?

Proposition 1: *The majority of expatriates sent on international assignments by South African MNEs are male.*

- Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?**
- Number (approximately)
 - Gender (percentage)
 - Position within the company at time of assignment
 - Duration of assignments
 - Accompanied by spouse/partner?

Proposition 2: *Female employees are not as interested in undertaking expatriate assignments as their male counterparts.*

- Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?**
- Do the interest levels of men and women differ?
 - If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment?
 - Do males ever turn down assignments? If so, for what reasons?

Proposition 3: *There is corporate resistance to selecting female employees for international assignments in South African MNEs.*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

- How long does this normally take, from being aware of the need to actually selecting the individual?
- What characteristics/competencies do you look for in a candidate for expatriate selection?
- Do the desired characteristics/competencies differ between men and women?
- Do you believe there is anything you could do to better the current selection process?
- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expatriates?

Proposition 4: *Due to foreign prejudice South African MNEs are hesitant to send female employees on international assignments.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

- Why?
- Are there any countries where (if you had operations) you would feel more comfortable sending females?

Proposition 5: *The upward career mobility of female employees within South African MNEs is enhanced by exposure to expatriate assignments.*

Q: **Do you believe that international experience is important for your career within the enterprise?**

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter?
- Do you believe that the performance levels of male and female expatriates differ?
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise?

Concluding Questions:

- Is there anything else you would like to add or explain?

APPENDIX B: CASE-STUDY NOTES

This appendix is comprised of the case notes taken during and immediately after each interview. These case notes show interviewees' responses to the questions presented in the case study protocol (Appendix A).

<i>MNE</i>	A1
<i>Industry</i>	Mining
<i>Date</i>	11/03/2014
<i>Interview time</i>	0:20:18

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*
- Q: In which industry would you classify your business? *Mining (Manufacturing and support services)*
- Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *6000 Globally*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): *50*
- Gender (percentage): *47 male, 3 female (1 in Indonesia : technical role, 1 in Tanzania, 1 in Burkina Faso: both are financial controllers)*
- Position within the enterprise at time of assignment: *Top/middle management used when going into a country. Technical support staff also sent on expat assignments.*

- Duration of assignments: *Managerial: assignment is indefinite (expat is sent to the host country to be a senior manager and stays there indefinitely). Enterprise has nowhere to place the expat if they do return, and typically they do not wish to return to the home country. Expats would rather be sent on a subsequent assignment as opposed to returning home.*

Technical staff sent on expat assignments typically are assigned for 3-5 years.

- Accompanied by spouse/partner? *Yes. It is very important to AI that the family unit be maintained.*
- Country: *Chile, Egypt, Burkina Faso, Mali, Guinea Bissau, Ghana, Tanzania, Zambia, Botswana, Namibia, Mozambique, Indonesia*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Very few women express a willingness to undertake expat assignments. For every 50 males 1 woman might make an approach. May also be due to the demographics of the enterprise.

- Do the interest levels of men and women differ? *Yes*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Reasons for turning down an assignment will be the same as those for men: safety/security, family, spouse's career taking priority, money, and does not like the location.*
- Do males ever turn down assignments? If so, for what reasons? *Same as females*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

In the past they would recruit expats from internal sources (within AI), however, that source has been depleted (due to expats not wanting to return). Also, South African sources in general have been depleted. Therefore, now they recruit from a global database of individuals, with the necessary skills, who wish to undertake expat assignments.

- *Interviews are conducted as well as look and see visits*

- *No other preparation, no psychometric testing, cultural training etc. This is because most of the expat assignees have gone on short trips (project work) to the country (or similar countries) before and know they can handle the culture etc; and also, those expats assigned from South Africa and the rest of Africa have already been 'conditioned' to be multi-cultural and adaptive.*
- *Considered by ECA to be one of the top companies for expat success. No failed assignments to date.*
- *How long does this normally take, from being aware of the need to actually selecting the individual? No set time frame, varies.*
- *What characteristics/competencies do you look for in a candidate for expatriate selection? Adaptability, willingness to work in harsh conditions*
- *Do the desired characteristics/competencies differ between men and women? No*
- *Do you believe there is anything you could do to better the current selection process? Yes there is always room for improvement (celebrity gap). Currently doing the minimum to get by, but that minimum has still given AI a massive success rate.*
- *In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? No, both the same. Will select the person who can get the job done, irrespective of age, race and gender.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

No. As long as the country is safe and there is no threat to her life etc. The general security situation is considered, but not in reference to the expat being a woman.

- *Why? N/A*
- *Are there any countries where (if you had operations) you would feel more comfortable sending females? N/A*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes international experience is definitely important for upward career mobility, especially in managerial levels.

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes they generally do move up in the organization once they have completed an assignment successfully.*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy, however, international experience and successful assignments are definitely considered when promotions are looked at.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

<i>MNE</i>	A2
<i>Industry</i>	Mining
<i>Date</i>	07/03/2014
<i>Interview time</i>	0:15:39

Introductory Questions:

Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*

Q: In which industry would you classify your business? *Mining/Industrial*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *A2: 5500, Foreign nationals: 2000 (Africa territories, including expats); Expats: 260*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): 260
- Gender (percentage): 259 male, 1 female (Mozambique)
- Position within the enterprise at time of assignment: *Mechanics (technical skills) 80% (do have female mechanics, currently the top mechanic is a female in Angola), middle, upper management (20%).*
- Duration of assignments *2 years starting but with the expectation that they will remain in the host country for at least 4 years*
- Accompanied by spouse/partner? *Only accompanied by spouse or partner at managerial level. Mechanics have single status.*
- Country: *Namibia, Botswana, Mozambique, Angola, Malawi, Zambia.*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Yes, dependent on family life. For example, schooling in Angola is US\$ 50 000 per annum, enterprise cannot afford to send women with children to Angola as expats. Therefore most of the expats are not married with no children.

- Do the interest levels of men and women differ? *No*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Security issues, family considerations, housing situation (single condominiums pose problems for women). Married couples do not live in condominiums with single status men.*

- Do males ever turn down assignments? If so, for what reasons? *Not really. Generally men turn down assignments because of family considerations as well, or money issues (not enough compensation.)*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Utilise a database of individuals who are interested in taking up an expat assignment, interview (skills assessment), and panel interviews.

Senior management goes through the previous assessment procedures, then gets flown to the territory for a 'look-and-see' for 2-3 days (accompanied by spouse/family). As it is considered CRITICAL that the spouse fits into the expat territory

- How long does this normally take, from being aware of the need to actually selecting the individual? *No standard time-frame. Dependent largely on visa requirements. (minimum 3 months to prepare paperwork once they have gone through the selection procedure and accepted assignment)*
- What characteristics/competencies do you look for in a candidate for expatriate selection?

Mechanical = SUPERIOR technical knowledge and skills

Management= DIVERSITY MANAGEMENT (this skill is highly important in an expat territory because, unlike in South African operations where diversity is limited to race, gender, and sexual persuasion, but where everyone is on the same/similar compensation programme; in expat territories diversity management involves all the above, in addition to a huge number of other nationalities (Pilipino, Russian, Portuguese, Israeli, South Africans, host country nationals) and then expats are on totally different packages to the nationals, causing issues.

- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process? *Yes there is always room for improvement.*
- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No, both the same.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

Apprehensive about sending females to countries with war/civil unrest (eg Angola/Tete) , but there is no formal enterprise policy, it is left more to the discretion of the female, if she is comfortable or not.

No problem sending a SINGLE professional expat to war conflicted nations, concern comes in if you have a family with you (male or female), as women and children are given preference during evacuation of expats (eg Angola). Risk factor is so much higher with a mother and children.eg up to 2005 did not allow any married status expats in Angola due to security concerns and the added risk of a spouse/children.

Apprehensive about sending women to Arab territories due to discrimination.

- *Why? Still feel more protective towards females.*
- *Are there any countries where (if you had operations) you would feel more comfortable sending females? Any country as long as she was a single status female E.g.) in Angola expat wives, or female expats are provided with drivers. They are not permitted to drive by themselves due to the Angolan police force asking for bribes.*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes international experience is definitely important for upward career mobility.

- *Have any of your expatriates returned from their assignments and been promoted shortly thereafter? Yes they generally do move up in the organization once they have completed an assignment successfully.*
- *Do you believe that the performance levels of male and female expatriates differ? No*
- *Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? No formal policy, however, international experience and successful assignments are definitely considered when promotions are looked at.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

<i>MNE</i>	B1
<i>Industry</i>	Transportation and Logistics
<i>Date</i>	17/04/2014
<i>Interview time</i>	0:12:54

Introductory Questions:

Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*

Q: In which industry would you classify your business? *Logistics (has numerous divisions in warehousing, shipping, terminals, automotive and travel)*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *7 500 employees worldwide*

Q: **Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?**

- Number (approximately): *40 (approximately)*
- Gender (percentage): *Mostly male (2 females)*
- Position within the enterprise at time of assignment: *Senior management, accountants, operations staff and engineers*
- Duration of assignments: *1 year assignments. Expatriate staff are appointed on a yearly basis, with their contracts being renewed each year. B1 has some expats who have been on assignment for +- 15 years*

- Accompanied by spouse/partner? *All expats with spouses are accompanied by their spouse/partner.*
- Country: *Mozambique, Zambia, Sierra-Leone, Singapore, Australia, DRC, Zimbabwe, Botswana, Swaziland*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Yes, female employees do express a willingness to undertake expat assignments; however, since most are men, few women actually apply.

- Do the interest levels of men and women differ? *No men and women express equal interest, but due to the nature of the work and as more men are employed, fewer women take up assignments*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *1 female has turned down an assignment, due to family considerations (she did not want to transfer her children to the international school in Mozambique as they would not be able to play the sports they wanted)*
- Do males ever turn down assignments? If so, for what reasons? *Males may also turn down the assignment due to family considerations.*

Additional reasons include:

- *The length of the assignment: if the assignment is only guaranteed for 1 year, they do not want to move their whole family for that short period of time.*
- *Age of the applicant: the older they are at the initial time that the assignment is offered to them, the less likely they are willing to accept (closer to retirement age).*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Ideally B1 first tries to recruit within the host country.

If a suitable candidate cannot be found within the host country, then an expat position is advertised internally within B1 to fill the position. (Government approval is needed to import the skill). Various psychometric testing is done on candidates before a decision is made.

Grindrod only recruits from outside as a last resort.

- How long does this normally take, from being aware of the need to actually selecting the individual? *Approx. 3 months*
- What characteristics/competencies do you look for in a candidate for expatriate selection? *Individual must have the enterprise's best interest at heart, psychologically ready for the changes (especially within African nations), Adaptability*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process? *Not at the moment*
- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

DRC, northern Zambia and Zimbabwe

- Why? *Considered high risk areas (war crimes, safety concerns). Males may be sent to these high risk regions, but only once the threat has been assessed and the assignment is deemed to have an acceptable risk level.*

- Are there any countries where (if you had operations) you would feel more comfortable sending females? *Any country, as long as the risk is deemed acceptable and there is no obvious threat to their security.*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes, international experience is definitely important

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *To date none of BI's expats have chosen to return from their assignments. This is primarily due to the fact that once the expat has completed a few years in the host location they are either close to retirement age and choose to go into private consulting, or else they know that they will not be able to return and occupy such a high position as the one they have attained in the host nation.*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy but international experience is definitely encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

<i>MNE</i>	B2
<i>Industry</i>	Transportation and Logistics
<i>Date</i>	06/05/2014
<i>Interview time</i>	0:15:31

Introductory Questions:

Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*

Q: In which industry would you classify your business? *Logistics*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *11 000 approximately*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): *20*
- Gender (percentage): *99% male; 1 female (regional manager based in Mozambique)*
- Position within the enterprise at time of assignment: *Contract managers/ operations managers (generally are middle to upper management). Become the MD of the operations in the host country.*
- Duration of assignments: *3-5 years. Expats are sent to host countries as ‘training managers’ and they are tasked with training HCNs to perform the job and accept the enterprise’s values etc. This then allows, in theory, the expat to leave after 5 years. However, B2 has had no success so far in training HCNs to take over adequately.*
- Accompanied by spouse/partner? *The enterprise attempts to keep the family unit in place, however, due to the nature of the postings and the locations, many expats choose to go without their family.*

- Country: *Lesotho, Swaziland, Namibia, Botswana, Zambia, Mozambique, Madagascar, Malawi, Tanzania*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Few women actually apply for international assignments due to the nature of the industry. Additionally B2 would be slightly hesitant to send a female unless it was to a major city or an established operation, due to the rough nature of setting up the Greenfield site in most African nations.

- Do the interest levels of men and women differ? *Yes, men seem more interested, due to the nature of the work.*

Females are interested if the posting is to a city and the subsidiary has been established a bit better.

- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Family considerations (children, adequate schooling etc).*
- Do males ever turn down assignments? If so, for what reasons? *Yes, for the same reasons primarily as women.(family concerns)*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Staff are made aware of the vacancy and a process of self-application is then followed. Individuals are only approached by the enterprise if nobody has volunteered for the assignment, and sourcing from outside the enterprise as a last resort.

Once an individual has been selected they go through a series of pre-assignment training, including look-and-see visits, medical examinations, language training and cultural awareness training (all offered to travelling spouse and family as well).

NB: if the individual declines the assignment, management does express their displeasure and this counts against the individuals career progression (indirect pressure from management)

- How long does this normally take, from being aware of the need to actually selecting the individual? *3-4 months*

- What characteristics/competencies do you look for in a candidate for expatriate selection? *First and foremost - is the candidate capable of doing the work/job in the host country?*

Cultural adaptability

Good financial acumen

Ability to be self-sufficient and solve the problem (proactive)

- Do the desired characteristics/competencies differ between men and women? *No, men just seem to be able to adapt more easily in rural postings*
- Do you believe there is anything you could do to better the current selection process? *No*
- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *As long as the candidate can do the job for which they are being sent then sex of candidate is irrelevant, however, due to the nature of the work more men are “encouraged” to go.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

If she is willing and is highly competent then she can be assigned to any country, barring any safety concerns that she is not willing to deal with.

- Why?: *safety*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *Females can go to any country where we have operations, but they seem to be more comfortable in urban postings.*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes, definitely

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes most, if not all. They are either repatriated back straight into a higher position, or return back and are considered for promotions as soon as other positions become available.*

- Do you believe that the performance levels of male and female expatriates differ? *No, but we have had more men expats*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy, it is highly encouraged though. International experience is one of the major considerations that is taken into account when considering a candidate for promotion, however, it is not the only consideration, and some people have been promoted to regional management without prior international experience as they were the best candidate at the time.*

Concluding Questions:

- Is there anything else you would like to add or explain? *HCNs as well as the governments of the HCs do not like expats and see them as extensions of foreign businesses which are not adding value to the HC. Thus great motivation has to be made as to why an expat is being used instead of a HCN. Also, once KAP has trained a HCN to become the MD for that subsidiary, they are poached by American MNEs in that HC and offered twice the salary, therefore B2 has to train another HCN from scratch and the expat must stay longer, only for the process to repeat itself.*

MNE	C1
Industry	Agriculture, Pulp and Forestry
Date	24/03/2014
Interview time	0:41:26

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*
- Q: In which industry would you classify your business? *Agricultural sector*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *4000 individuals*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): *10*
- Gender (percentage): *all male*
- Position within the enterprise at time of assignment: *Mostly technicians, 3 high level country managers (Zimbabwe, Zambia, Ghana)*
- Duration of assignments: *4-5 years followed by a renewal*
- Accompanied by spouse/partner? *Yes, most travel with their spouse if they are married*
- Country: *Zimbabwe, Zambia, Australia, Ghana, Nigeria, Congo, Mauritius*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Yes, in the past they had 2 female expats. Females have shown an interest in applying to Mauritius.

- Do the interest levels of men and women differ? *Men seem more interested due to the fact that most expat positions are for technicians. C1 is now in the process of training female technicians*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Safety concerns are the only real issue, as well as if the spouse does not wish her to take up the assignment.*
- Do males ever turn down assignments? If so, for what reasons? *Safety concerns.*

Generally males do not turn down assignments because the expat package is so tempting:

- *Visas and work permits for expat and spouse (even technical staff)*
- *Medical aid for entire family*
- *All children in international schools (irrespective of number of children)*
- *Good remuneration package*
- *Housing*
- *Transportation*
- *Guaranteed position in the enterprise (at same level or higher upon expat's return)*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Internal advertising conducted first (External interviews conducted only if nobody from within the enterprise has shown interest or been selected), interviews conducted, conditions within the country are explained to candidate, look and see visit.

- How long does this normally take, from being aware of the need to actually selecting the individual? *Very quickly due to their agreement with ARMSCO, candidate can go immediately and the paperwork is drawn up by ARMSCO.*
- What characteristics/competencies do you look for in a candidate for expatriate selection?
 - *Desire to travel and explore new places*
 - *Open minded and willing to accept and integrate into the local culture*
 - *Fairness*
 - *Willing to see themselves as a “citizen/resident” of the host country*
 - *Willingness to teach and learn from the locals*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process?
Yes, place more of an emphasis on a FORMAL induction and acculturalization process in order to get the expats fully immersed and familiar with the host country

(especially with regards to protocol as many of their expats work closely with government officials in the host country).

- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

Safety is a concern, not just for women, but all expats. Therefore, especially in North Africa they are hesitant to send any expats to violent locations. (Sudan, Somalia)

- Why? *Safety concerns.*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *No as long as it is safe. In their current locations, although they do not have women expats currently, they do not foresee any issues for women.*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes, it is important to understand how different countries operate.

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes, C1 has a formal policy which stipulates that all expats will be guaranteed a job (at the same level or higher) within C1 after they return from their posting*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up in the enterprise? *No formal policy, but international experience is encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *Went into great detail about the benefits of liaising with the host country's South African embassy and building a long term relationship with the government of the host country, so that C1 can, whilst pursuing their objectives in the host country, can also help the host country's government reach their goals.*
- *Entered into an agreement with ARMSCO (capacity building in Africa) which essentially allows for very rapid facilitation of expat work permits and visas. These are almost automatically approved for the expats and the expats working for C1 then fall under ARMSCO and are classified as UN employees, even though they are still affiliated to C1.*

<i>MNE</i>	C2
<i>Industry</i>	Agriculture, Pulp and Forestry
<i>Date</i>	29/04/2014
<i>Interview time</i>	0:21:36

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? Yes
- Q: In which industry would you classify your business? *Manufacturing, Forestry and pulp*
- Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *13 000 approx.*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): 5
- Gender (percentage): *all males*
- Position within the enterprise at time of assignment: *Mostly senior sales executives*
- Duration of assignments: *Standard 2 year assignments with the option to extend*
- Accompanied by spouse/partner? *Yes*
- Country: *Hong Kong and Vienna (Austria)*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Few women actually apply for international assignments due to the nature of the industry

- Do the interest levels of men and women differ? *No, but due to the fact that C2 has more men employed, naturally more men may apply for such postings*

In the past C2 has sent 2 females on expat assignments, but both these ladies were single. Females' interest seems to be higher if they are single.

- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Family considerations (children, dual income partnerships, spouse does not want to move/quit his job). Also may turn down the assignment because they are not interested in the actual work they will be doing in the host country.*
- Do males ever turn down assignments? If so, for what reasons? *Yes, for the same reasons primarily as women. Men may also turn down the assignments because C2 does not offer expat assignments as 'enrichment' postings, with expats getting paid*

very closely to what they would be earning in the home country, with only schooling and sometimes housing being covered by C2. Therefore sometimes men turn down the assignment because they are dependent on the dual income of their spouse as well, and there is no guarantee that the spouse will be able to work in the host country, therefore they would have less income than if they remain in the home nation.

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

A need is identified in the host country. This is assessed if an expat is required or if short project work will suffice. If an expat is required this is relayed to HQ who then advertises the position internally. Applications are screened to ascertain if they can perform the work. Further analysis is done to see if the candidate is interested. A 3 week look and see visit is arranged for the candidate and spouse. Compensation packages etc are negotiated. Final selection is done on the basis of if that individual is happy and willing to accept the conditions etc.

- How long does this normally take? (from being aware of the need to actually selecting the individual) *Dependent on visa/work permit issues, but can take up to 6 months.*
- What characteristics/competencies do you look for in a candidate for expatriate selection?
 - *Ability to do the work/job in the host country.*
 - *Cultural adaptability*
 - *Support from spouse (is he/she coming with)*
 - *How does the candidate handle unforeseen changes in plans/circumstances*
 - *Is the candidate tolerant of other beliefs/business practices with which he/she may not agree*
 - *Does the candidate have elderly parents in the home country which are dependent on them*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process?
No

- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *As long as the candidate can do the job for which they are being sent.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

No operate in stable areas and do not foresee expansion into hostile regions

- Why? N/A
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *USA, HK Europe, are all very comfortable with female employees.*

Q: Do you believe that international experience is important for your career within the enterprise?

10 years ago, yes, international experience was required to move up. This is not the case today.

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes, 1 expat. He will become CFO.*
- Do you believe that the performance levels of male and female expatriates differ? *No. C2 has very holistic operating practices throughout their operations worldwide. Therefore, if an individual performs well in one location, there is no reason he/she should not perform the same in another region/country.*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy. However, candidates who have been exposed to international assignments (short or expatriate) do have broader perspective and are developed in certain aspects, not necessarily in terms of work output, but more in their personal/emotional capacity*

Concluding Questions:

- Is there anything else you would like to add or explain? *C2 is definitely trying to steer away from expat assignments, favoring shorter project based work (3-5 months). This is because the ROI and cost associated with expat assignments are not worth it (especially for developmental assignment purposes). C2 foresees cutting their expat assignments even further in the future and only utilizing expats as a final resort.*

<i>MNE</i>	D1
<i>Industry</i>	FMCG
<i>Date</i>	27/03/2014
<i>Interview time</i>	0:11:22

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? Yes
- Q: In which industry would you classify your business? *Manufacturing (FMCG)*
- Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *10 000 people*
- Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?**
- Number (approximately): *21*
 - Gender (percentage) *19 males, 2 females*
 - Position within the enterprise at time of assignment: *2 categories of expats (shop floor personnel (factory workers) sent in to Greenfield sites to get the manufacturing facility working; then traditional top management(executive level) expats)*

- Duration of assignments typical assignment is a 3 year term, with the option to extend another 3 year term (6 years). However, many of their expats have been there for 6-10 years. Note: these expats who have stayed longer than 6 years remain on expat packages and benefits, they are not localized because then the incentive to stay in the host country is removed, the expat will return home and D1 will have to find a new expat to replace them.
- Accompanied by spouse/partner? Even split. Out of the 21 expats, 11 have an accompanying spouse.
Note: the expat will generally be accompanied by the partner and children for the first few years of the assignment, but when the children reach high-school going age, then generally the wife and children return to SA.
- Country: Nigeria, Zimbabwe, Angola, Kenya, Zambia, Tanzania, Swaziland

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Female employees have not really shown an interest in undertaking expat assignments

- Do the interest levels of men and women differ? Men more interested than women, generally due to the fact that D1 has few female employees, most being at senior management level (already established in their career/department).
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? Females turn down assignments because the spouse does not wish to accompany them (not issued with a work permit so will not be able to work in the host country).
- Do males ever turn down assignments? If so, for what reasons? Haven't really had any males turning down the assignment. Generally any negotiations that take place are with regards to money and term of the assignment (home leave/education etc).

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Do not have a formalised selection process. In theory they would like to impose selection criteria etc, but in reality once a position has become available,

management already has certain individuals who have expressed a willingness in mind and these are then approached.

Essentially D1 looks at who has the skills and who is willing to go

- How long does this normally take, from being aware of the need to actually selecting the individual? *Depends on the country.(anything from a few weeks to 4 months)*
- What characteristics/competencies do you look for in a candidate for expatriate selection?
 - *Willingness to go on assignment*
 - *Easy going*
 - *Work well with ambiguity*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process?
Develop a formalized selection process, also use the expat programme as a form of development programme where up-and-coming D1 talent given the opportunity to undertake expat assignments and increase their exposure through a few assignments.
- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No preference as long as the individual is capable and willing.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

No

- Why? *N/A*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *Currently in all their locations women are accepted*

Q: Do you believe that international experience is important for your career within the enterprise?

It hasn't been in the past. Recently changed CEO (new person is from Sasol and has lots of international experience) so can foresee that it may become important in the future

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *No, most choose to remain on an extended expat assignment (most do not return home), some leave the enterprise upon repatriation, and a few have been poached to other MNEs whilst in the host country and remain in the host country.*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy but international experience is definitely encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

<i>MNE</i>	D2
<i>Industry</i>	FMCG
<i>Date</i>	14/03/2014
<i>Interview time</i>	0:12:01

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*
- Q: In which industry would you classify your business? *Manufacturing FMCG*
- Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *22 000 people*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): *17 (only started recently sending expats abroad)*
- Gender (percentage): *all males*
- Position within the enterprise at time of assignment: *Senior management*
- Duration of assignments: *Standard 3 years with the option of extending the assignment by another 3 year term (max 6 year posting)*
- Accompanied by spouse/partner? *May be accompanied by the spouse or partner, enterprise does not have a policy for single status.*
- Country: *Most are in Nigeria, 2 in Ethiopia, Cameroon, and they are about to expand into Kenya*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Only 2 women have shown interest in undertaking expat assignments in the past, however, both were not selected.

- Do the interest levels of men and women differ? *Men seem more interested at the moment compared to women.*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Women which have been approached to take up an assignment have cited that they would never leave their husbands behind, also, their husbands were not keen on being the accompanying spouse on assignment. These female employees stated that they would take up the assignment if their spouses could also be employed in the host country by D2, this issue of one spouse reporting to/working with the other is against enterprise policy.*
- Do males ever turn down assignments? If so, for what reasons? *Generally males do not turn down assignments, primarily as the expat selection process is initiated by the*

potential expat and therefore before he even applies, he has generally taken numerous aspects such as family and monetary considerations into account. Some males choose to leave their spouse in the home country, others travel as a unit. D2 has never actually 'forced' anyone to take up an assignment, if they are unwilling they generally don't apply.

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Expat position is advertised internally first.

Utilise a 'Talent management programme' where the organisation's talent pool is looked at (not necessarily only in SA, but across all their operations). In most instances they select individuals who are in line to take up senior management positions, and the assignments are offered to those individuals.

Cross cultural training is done on candidates

- *How long does this normally take, from being aware of the need to actually selecting the individual? Times may vary, D2 has no difficulty in obtaining visas (Nigerian visas can be attained within 48hrs) but work permits can take a lot longer and delay the process.*
- *What characteristics/competencies do you look for in a candidate for expatriate selection? Leadership competencies: ability to lead a team, adaptability, transformation*
- *Do the desired characteristics/competencies differ between men and women? No*
- *Do you believe there is anything you could do to better the current selection process? The current talent pool in SA is very thin and it limits their ability to select competent individuals from SA. Thus they have to draw from a pool that does not consist entirely of Tiger employees. Therefore, they wish to endeavor to develop and grow the talent pool, in its entirety, but especially within SA, which would allow them to select employees who are already familiar with the operations and culture of D2.*

- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

No. They have targeted certain geographies (West Africa) and in these countries being female is not an issue

- Why? *N/A*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *Anywhere, as long as the best person for the job is selected and they can get it done*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes, this is explicitly encouraged by the CEO. "The future of D2' leadership lies with those people who have international experience."

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Not yet, but at the time of assignment they are already at executive level, and when they are transferred to the expat posting, they are generally transferred to a higher managerial level (CEO for the country).*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy but international experience is definitely encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

<i>MNE</i>	E1
<i>Industry</i>	Telecommunications
<i>Date</i>	19/03/2014
<i>Interview time</i>	0:29:15

Introductory Questions:

Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*

Q: In which industry would you classify your business? *Telecommunications*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *7000 People*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): *60*
- Gender (percentage): *45 males, 15 females*
Over the past 18 months E1 has actively encouraged females to take up expatriate assignments. There is no formal policy promoting females, but within the expat selection process female assignees are encouraged. E1 wishes to make females more mobile and give them international opportunities.
- Position within the enterprise at time of assignment: *Top management as well as technical/support staff. E1 insists that all external operations are overseen by an expat who takes up FD or MD positions in the host country (sourced from HQ) and those technical skills which are not available in the host country are sourced from HQ as well through technical staff. E1 seeks to encourage the development of the local people and therefore only fills top management positions and where exceptional skills are needed, with expats.*
- Duration of assignments: *For top management 2-4 years in one location, technical staff assigned on a project basis.*

- Accompanied by spouse/partner? *It is the expats' choice, but few (1/10) are accompanied by their spouse/partner. If they do not take their family with, they are encouraged to take home leave every 45 days. The longest they can go without visiting their family is 90 days.*
- Country: *Mozambique, DRC, Lesotho and Tanzania*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Yes they do

- Do the interest levels of men and women differ? *Females have become more interested recently due to the enterprise actively pushing females to take up assignments.*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *The primary reasons females turn down assignments is due to:*
 - *Do not want to relocate the family*
 - *Husbands/spouses do not want to give up their careers and be the travelling spouse*
- Do males ever turn down assignments? If so, for what reasons? *It is extremely rare for males to turn down an assignment. They are all very career driven and the expat assignment offers them a chance to move/grow laterally as well as giving them a good chance of moving up in the enterprise. Additionally, financial incentives are luring. Men will take up the assignment even if, after 6 months, they return to the home country (failed assignment) because "it just wasn't for them". If men do turn down an assignment it is generally for family/spousal issues, such as the spouse does not wish to relocate. Also the difficulty of the destination is a reason why spouses (not the expat male) will refuse to relocate eg) DRC*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Most expats are selected internally from HQ (JHB) especially for MD and FD positions.

EI has a talent management programme which identifies and cultivates potential “stars” within the enterprise. Driven by individual performance and exceptional skills, this talent management programme seeks to assign selected individuals for project work as well as expat assignments to allow them to grow and develop as well as retaining them within EI so they are kept interested and excited and are not poached by other MNEs. This talent pool is used to source expatriates, especially for longer assignments.

Interviews, psychometric testing, cross cultural training, spouse and expat assessed by industrial psychologist

The candidates are interviewed, added to the internal talent list, this list is assessed and a candidate is chosen, Candidate confirms their interest (accepts/declines), consult with his/her line manager to check they are available to take up the assignment, clarification from local shareholders that the skill being imported is not available locally and that they are ok with the expat assignment.

Advertising for the expat posting is done only if there are no suitable candidates on the talent list

Typically assignees are sent to smaller markets first, then as their experience grows and they prove themselves they are assigned to bigger markets. (project work...Lesotho...Mozambique...East Africa(DRC and Tanzania).

- How long does this normally take, from being aware of the need to actually selecting the individual? *Typically can range from 3(internal candidate) to 6months (external candidate) but may take up to 1 year if there are problems with visas and work permits etc.*
- What characteristics/competencies do you look for in a candidate for expatriate selection? *Cultural fit, technical competency, ease of relocation*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process?
No

- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

No

- Why? *Can't think of anywhere where females would not perform well.*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *Anywhere as long as the issue of safety was addressed. Women are performing very well in all current markets.*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes, international exposure is considered vital

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes, current CEO was an assignee. If they are not relocated back in SA, they can be promoted in another market.*
- Do you believe that the performance levels of male and female expatriates differ? *No, they are at par with each other:*
 - *Generally all expats are exceptionally committed to the assignment.*
 - *Females may be slightly more 'driven' than the male expats as they have a desire to prove themselves against the men*
 - *All the expats express a deep desire to succeed on the assignment for the enterprise since they feel the enterprise has "trusted" them and shown confidence in them by giving them the opportunity*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy but international experience is definitely encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

<i>MNE</i>	E2
<i>Industry</i>	Telecommunications
<i>Date</i>	7/08/2014
<i>Interview time</i>	0:13:42

Introductory Questions:

Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*

Q: In which industry would you classify your business? *Telecommunications*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *23 000 employees*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): 2
- Gender (percentage): *Both males*
- Position within the enterprise at time of assignment: *One expat has been transferred as a MD, the other as the head of a business unit (therefore both are top management)*
- Duration of assignments: *Expat assignments are open ended, but generally are for a minimum of 3 years.*
- Accompanied by spouse/partner? *Yes, both expats are accompanied by their spouse*
- Country: *Nigeria*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Generally it is difficult to get anyone to fill positions within the African continent, but especially within Nigeria at the moment. Few females have expressed an interest; however, one expat in the past was female.

- *Do the interest levels of men and women differ? As stated, both men and women are not jumping at the chance to expatriate, however, more men are assigned so therefore you could say that they have shown slightly more interest.*
- *If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? E2 has only ever assigned one female in the past, and she accepted the assignment. The major reasons that females do not go on expat assignments are that :*
 - *There are very few women at top management level who have the skills to become expats.*
 - *Safety concerns in host country*
 - *Unattractiveness of host country*
 - *Work permit for spouse*
 - *Dual income concerns*
- *Do males ever turn down assignments? If so, for what reasons? Same as stated. Irrespective of gender those are the main reasons*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

The expatriate position is advertised internally, and any individuals who management has in mind for the assignment may be approached.

Rarely look outside to source candidates as internal business knowledge is very important.

Structuring of package (schooling allowance, housing, home leave etc)

Look and see visits

- *How long does this normally take, from being aware of the need to actually selecting the individual? Typically 3 months depending on the urgency required and the individuals personal circumstances*

- What characteristics/competencies do you look for in a candidate for expatriate selection? *Internal business knowledge, leadership capabilities, financial acumen, ability to understand and interact with the HCNs*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process? *No*
- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

Middle East and Saudi Arabia

- Why? *It is almost impossible for women expats to work in these areas due to the prejudice against them. They cannot even drive, so drivers must be provided. E2 avoids assigning females here.*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *No anywhere else is good, as long as the safety of the expat and family is assured and they are comfortable with the conditions*

Q: Do you believe that international experience is important for your career within the enterprise?

This issue is currently being debated within the enterprise, however, the expat manager feels that it is vital especially if one desires to move into top management.

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes, current expat manager (head of Africa and Middle East) was an expat.*
- Do you believe that the performance levels of male and female expatriates differ? *No*

- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy but international experience is definitely encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *E2 had many more expats in the beginning (20-40 expats); however, now they are actively scaling down their expat operations in favor of employing HCNs to do the work. Ultimately they want to eliminate the use of expats due to cost, and use short-term assignments to train HCNs.*

MNE	F1
Industry	Finance
Date	06/05/2014
Interview time	0:23:31

Introductory Questions:

- Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*
- Q: In which industry would you classify your business? *Banking/Finance*
- Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *36000 Employees*
- Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?**
- Number (approximately): *67 expats*
 - Gender (percentage): *5 females (2 in Mozambique, 1 in Nigeria, 1 in UK and 1 in Zambia)*

- Position within the enterprise at time of assignment: Middle (*technical staff*) to upper (*CIO/CFO*) management.
- Duration of assignments: *Generally 2 years, with the option to renew for an additional 1 or 2 years. Policy that secondments should not exceed 5 years as by that time a HCN should have been trained in the position.*
- Accompanied by spouse/partner? *60% accompanied by spouse/partner, eg) 10 expats in Nigeria, of these 10, only 1 has his family with him, of the other 9, 8 are married and have chosen to leave their family in the home country (not necessarily south africa).
Eg) in Zambia, all the married expats are accompanied by their spouses and families.
Therefore this is largely dependent on the country.*
- Country: *Lesotho, Swaziland, Namibia, Botswana, Mozambique, Tanzania, Kenya, Zambia, Angola (rep), Nigeria, Ghana, UK, UAE, India, China (rep), Australia (investment), USA (small), Brazil (small).*

FirstRand strives to be a regional bank, not aiming to be global. Focused on Africa, as well as the trade routes between the East and Africa (China, India, Africa).

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Yes, if their family circumstances permit it.

On the HR system everyone is encouraged to fill in a mobility questionnaire. Here employees can state if they are mobile or not, and if they are then they can specify which countries they are mobile to. Fewer women say that they are mobile.

If their husband is mobile and can do his job from the HC, and if they are either single, or much older and do not have dependent children then they are more mobile and willing to take on assignments.

- Do the interest levels of men and women differ? *Women, as stated previously show more interest if they are single, have no dependents or have a spouse who can travel.*

- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Family considerations (schooling, family in home country, partner is main breadwinner). Loss of dual income (no compensation for loss of spousal income)*
- *F1 does assist the spouse in finding work and permits etc, but in some countries the spouse is by law not allowed to work or even do charity work.*
- Do males ever turn down assignments? If so, for what reasons? *Similar to women, loss of spousal income*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Psychological assessment on expat and spouse (adaptability etc) (Even done on the partner if the spouse isn't coming on the assignment). Family is assessed to see if they are ready for the assignment, not just the expat .

Medical assessment of expat and family

Technical interviews with expat

Look and see visit

- How long does this normally take, from being aware of the need to actually selecting the individual? *3-5 weeks (assessment and choosing an expat) 2-3 months (to get expat and family in HC)*
- What characteristics/competencies do you generally look for? *Adaptability, cultural awareness, technical skills, management style (not autocratic), manager who can empower people and let them make their own decisions, but still has the interest of the enterprise at heart and imparts the philosophy of the enterprise to the HCNs*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process? *No*

- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No preference as long as the individual is capable and willing.*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

No

- Why? *Do not consciously deter women from not taking up certain postings, however, there are some postings which are harder on women than men. Eg) UAE or Saudi Arabia due to cultural difficulties, not in business but more in everyday life (women have no rights, men push past you in a queue etc)*

Angola, Nigeria and India are considered tough postings and are generally taken up by men, however women have been posted here in the past and been successful

No country that they wouldn't send women.

- Are there any countries where (if you had operations) you would feel more comfortable sending females? *Most of all the other countries besides UAE, Saudi Arabia (although we don't have operations there) and maybe China.*

Q: Do you believe that international experience is important for your career within the enterprise?

Yes, very important

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Yes many*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up in the enterprise? *No it is encouraged but no formal policy*

Concluding Questions:

- Is there anything else you would like to add or explain? *Encouraging female employment and female expatriation is definitely on the agenda for FirstRand and it is being encouraged.*

<i>MNE</i>	F2
<i>Industry</i>	Finance
<i>Date</i>	28/05/2014
<i>Interview time</i>	0:12:00

Introductory Questions:

Q: Just for confirmation purposes, I would like to confirm that you make use of expatriates? *Yes*

Q: In which industry would you classify your business? *Financial services*

Q: How large is your enterprise? That is, approximately how many employees do you have worldwide? *400 people as permanent staff (1000 contract workers)*

Q: Can you please tell me about the demographics of your expatriates that you send on assignment or which are currently on assignment?

- Number (approximately): *3*
- Gender (percentage): *all males*
- Position within the enterprise at time of assignment: *Middle and upper management, operations staff*
- Duration of assignments: *One expat is assigned indefinitely, the other 2 are assigned for a period of 3-5 years*
- Accompanied by spouse/partner? *1 is single, the other 2 are accompanied by their wives/partner*
- Country: *Ghana and Zambia*

Q: Do your female employees express a willingness to apply for and undertake expatriate assignments?

Only 1 female has expressed an interest in undertaking an expatriate assignment. She may be assigned within the next few months

- Do the interest levels of men and women differ? *Men seem more interested at the moment compared to women*
- If an assignment has been offered to a female employee, what are the reasons she may give for turning down such an assignment? *Women may turn down assignments due to family considerations as well as conditions within the host country.*
- Do males ever turn down assignments? If so, for what reasons? *Same reasons as females*

Q: Please explain the typical procedure followed/ or way in which your expatriates are selected?

Only those individuals who have shown a willingness to undertake expatriate assignments will be approached for positions. Their level of adaptability is assessed, followed by a look and see visit.

Applicants are typically internal and selection is based initially on a process of self-nomination

- How long does this normally take, from being aware of the need to actually selecting the individual? *The time may vary depending on the personal circumstances of the individual, but typically it takes approx. 2 months*
- What characteristics/competencies do you look for in a candidate for expatriate selection?
 - *Individuals must be capable of performing their job*
 - *Adaptability*
 - *Self sufficient*
 - *Independent and mature*
 - *Must be able to manage people*
- Do the desired characteristics/competencies differ between men and women? *No*
- Do you believe there is anything you could do to better the current selection process?
No

- In your opinion, from the perspective of the enterprise, do you prefer sending male over female expats? *No*

Q: Are there any countries where (if you had operations) you would consciously choose not to send female expatriates?

Not really, except perhaps in Dubai and Arab territories due to the stigma associated with foreign women, however, we do not have operations in these regions yet.

Safety is the only major concern we have for all expatriates.

- Why? *N/A*
- Are there any countries where (if you had operations) you would feel more comfortable sending females? *No, all current territories are open towards females*

Q: Do you believe that international experience is important for your career within the enterprise?

It depends, if the individual is to be based solely in the South African side, then international experience may not be necessary, however, if the individual is involved with the African part of operations, then international experience will be required.

- Have any of your expatriates returned from their assignments and been promoted shortly thereafter? *Not yet*
- Do you believe that the performance levels of male and female expatriates differ? *No*
- Do you have a formal policy which stipulates that an individual must have a certain amount of international experience to move up within the enterprise? *No formal policy but international experience is definitely encouraged.*

Concluding Questions:

- Is there anything else you would like to add or explain? *No*

APPENDIX C: ADDITIONAL QUESTIONS ASKED AFTER THE INITIAL INTERVIEW

MNE: A1

- Q. Do you plan to increase the number of female expatriates within your enterprise? *No*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *Vacancies are open to both men and women and there are no restrictions or rules as to who can or cannot apply. The best candidate gets the offer irrespective of gender, but there is no plan on increasing the number of female expatriates. There are fewer females within the company and less females are interested than men.*

MNE: A2

- Q. Do you plan to increase the number of female expatriates within your enterprise? *No*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *It is not that A2 chooses not to promote female expatriation; it is more to do with the fact that 80% of our expatriates are mechanics, who are sent to harsh territories for extended periods. Additionally, if the number of female expatriates were to increase, different accommodation would have to be arranged as they could not co-habit with single-status men in compounds. Therefore within the mining sector, female mechanics are very few, although we do have a handful; and therefore naturally the number of female expatriates is lower than men. Ultimately we have no preference in assigning males over females, we simply pick the most suitable candidate for the job. Therefore at this stage, A2 doesn't foresee an increase in their female expatriates.*

MNE: B1

- Q. Do you plan to increase the number of female expatriates within your enterprise? *Not at the moment*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *As stated there are very few females within B1 at a high enough management level to be considered for expatriate positions, as well as the fact that most operational staff and engineers are male, and although females do express an interest in expatriate positions, due to the challenging nature of the postings most often do not follow through on this interest. Additionally as most employees within B1 are male, naturally more men apply for these positions. Therefore as yet B1 has no specific plans to increase the number of female expatriates specifically, especially since expat positions are assigned to the most appropriate individual, irrespective of their gender.*

MNE: B2

- Q. Do you plan to increase the number of female expatriates within your enterprise? *No. B2 does have an active employment equity policy and plan, but as such is not focused on their expatriate requirements, but rather on achieving their equity gender and race targets.*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *B2's expatriate programme is not a gender based initiative but rather a business needs driven action plan. As per their manpower planning and succession development plans, the best suitable person, irrespective of gender, who is willing to undertake such an expat activity, based on experience and business skills, personal circumstances and the attraction to move to the foreign location, dictates the selection process.*
- Additionally, their South African industrial environment history, which in general was not attractive to females, especially within operational positions, females are*

currently active within their managerial service functions (finance/legal/HR/etc.). Therefore potential female expatriate candidates with the overall commercial skills and experience required are scarce and will be more representative in years to come.

MNE: C1

- Q. Do you plan to increase the number of female expatriates within your enterprise? *Yes*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *As most of C1's expatriates are technical staff, which in the past has been a male dominated role; however, C1 is now endeavouring to increase the number of female technical staff (technicians). As more and more females enter C1's workforce and become competent technicians who will then be considered for expatriate assignments. Ultimately the female must still want to go on an assignment, and the process of self-selection will apply, however, this certainly will increase the number of potential female expatriates within C1.*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *N/A*

MNE: C2

- Q. Do you plan to increase the number of female expatriates within your enterprise? *No*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *C2 is endeavouring to only utilise expatriates as a last resort, due to the exceptionally high cost of assigning an individual and limited ROI they have received. They will attempt to focus on short-term assignments where possible. Generally however, as more males are employed within the enterprise and few women express a desire to take-up expatriate positions; if future needs for expatriates arise C2 will select the most appropriate/capable person irrespective of gender. Therefore, since C2 desires to drastically scale down their expatriate operations, currently they see no need to promote female expatriates.*

MNE: D1

- Q. Do you plan to increase the number of female expatriates within your enterprise? *No*
- Q. If yes, do you currently have specific programs in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *It is not that we do not see a need to increase the number of female expatriates; we simply do not get the interest from females to apply for expatriate positions. Historically, as a manufacturing enterprise few women are employed at levels which would require expatriates (Managing Director, Financial Director and technical expertise) as well as the fact that our potential pool of expats is very small to begin with. Additionally, it is seldom the case that the husband is not the primary breadwinner, and with most of our assignments into Africa the travelling spouse would not be granted a work permit and so would have to give up work. It is far more common for the wife to agree to give up work.*

MNE: D2

- Q. Do you plan to increase the number of female expatriates within your enterprise? *We would like to see more females apply for expatriate positions, but as yet we have no specific plans to increase the number of female expatriates specifically*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*
- Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *Expatriate positions are filled through a self-selection process, where, as yet females have shown very little interest. Although our expatriate operations are relatively new, and we have only recently begun assigning individuals, to date very few females have shown an interest. Also, as candidates are typically selected because they are in-line for senior management positions, there are fewer females at this level within the enterprise and therefore fewer women who have the necessary skills and experience. This looks as if it may change in the future, as more females move up within the enterprise, the pool of potential expatriate candidates may increase. (this may be facilitated through the various leadership and development programmes which we encourage staff to take part in, especially females.*

MNE: E1

Q. Do you plan to increase the number of female expatriates within your enterprise?

Yes, we started doing this over the last 18 months and we continue to drive the initiative to expose women in all levels of our business to other markets in our business.

Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates?

Yes, 2 key programmes at the moment.

- *A graduate programmeme*
- *A programme run by our Corporate affairs and marketing division for the empowerment and recognition of women.*

Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *N/A*

MNE: E2

Q. Do you plan to increase the number of female expatriates within your enterprise? *No*

Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *N/A*

Q. If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *E2 is actively trying to reduce their expatriate programme in general, favoring short-term assignments. The gender of the expat is irrelevant, assignments are far too expensive and as the primary objective is to train and impart the knowledge onto the HCNs and let them run the subsidiary, the use of expats is going to be reduced even further in future.*

MNE: F1

Q. Do you plan to increase the number of female expatriates within your enterprise?
There is a plan to make the expats more representative of the company's footprint. So we want expats from the non-South African countries that we operate in as well as

more black South African expats. Included in this drive through the company as a whole to increase the number of females in managerial positions and as expats.

- Q If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *We have asked the various business units involved in the recruitment of expats to give preference to female candidates as well as to the nationalities and race groups required to make the expat profile more representative. We are also investigating ways in which we can better support female expatriates.*
- Q If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *N/A*

MNE: F2

- Q. Do you plan to increase the number of female expatriates within your enterprise? *We are in fact sending our first female to Mauritius in the next two months to live. But as said before Africa is a tough place and generally females are reluctant.*
- Q. If yes, do you currently have specific programmes in place which aim to increase the number of female expatriates? *No specific programme, on a case by case basis. We don't have a significant amount of expatriates (<10) so as and when a job opens up we do consider the best candidate for the role, male or female.*
- Q If no, why do you feel there is no need to increase the number of female expatriates within your enterprise? *N/A*

APPENDIX D: EXAMPLE OF THE MIND-MAPPING TECHNIQUE USED TO GROUP/ILLUSTRATE SUBJECTS' RESPONSES

