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## **\*Selection of Expatriates for Regional Business Operations in Asia: A Study of MNE Managers in Singapore**

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*The recent interest for regionalization of business operations in Asia underscores the demand for expatriates. While much has been written on expatriation, very little was documented on expatriates assigned in Asian countries. In this respect, American, German, Japanese and Korean MNEs have been found to take active interests in regional expansion of business in Asia. Expatriation is a significant international management issue for them. The high costs of expatriation and the risks for expatriate failures also underscore this importance. As such, selecting the right candidate for expatriation success is a crucial issue for these MNEs. This paper presents the findings of a study on the selection of expatriates for assignment in Asia, particularly in Singapore. The effective selection criteria are identified and a comparative analysis was conducted. The study examines the effects, if any, of nationalities, the functional management positions occupied by the expatriates, and the industrial sectors they belonged to, in the assigned countries.*

### **Introduction**

Globalization is a major force that is molding the modern business environment. In this regard, having the right people in the right place at the right time is paramount to a company's strength. As a result, international human resource management (HRM) is now recognized as a major determinant of success or failure in international business. The demand for international managers with requisite overseas experience is increasing substantially. Managers' cross-cultural experience is now becoming a valuable resource, when domestic human resource management gradually takes on an international dimension as it deals more and more with multicultural workforce. The call for regional decentralization underscores the demand for expatriates whose extensive international experience can add great value to the enterprise. As such, selecting the right candidates for expatriation success is a crucial issue for international corporations. Other important issues in the area of expatriate management include the training and development, familial and social support, as well as the organizational support needed for effective expatriate performance (Osman-Gani, 1997).

While much has been written on expatriation very little was documented on expatriates working in Asian countries. With Asian economics ready to take centre stage in the twenty-first century, it is only logical that we should have a better understanding of Asian expatriate management. This study attempts to fill the research gap in this area of international management literature, which by far focused mainly on the Western economics.

East Asia was one of the fastest growing regions in the world until the recent regional financial crisis, which has affected it since the last quarter of 1997. According to the UN World Economic Survey, East Asia grew by an annual average rate of 4.5% during the last decade, while ASEAN's (Association of South East Asian Nations) average was at 6.8%. The comparable rate for the US was 1.4% and 1.7% for Europe. ASEAN member countries were

ranked among the world's largest hosts of foreign direct investment inflows. At the same time they are becoming significant foreign investors themselves, mostly in other less-developed Asian countries. The OECD has projected the Asia-Pacific to grow by 5-6% to the year 2010. On the other end, the comparable rates for North America and Europe were set at 2-5% and 3-4% respectively.

In addition to the previous objective, this study seeks to contribute to the understanding of expatriate selection by examining the effects, if any, of the sending nationality, the functional management position occupied by the expatriate in the assigned country, and the industry.

## **Relevant Literature**

Different organisations have different selection systems albeit with some overlapping features. Brewster (1991) cited a few approaches to expatriate selection. Personal knowledge of the expatriate candidate was emphasised by many organisations despite the increasing sophistication of computerised selection systems. This personal knowledge element is identified as a key factor in recruitment and placement by nearly Dutch, German and Swedish companies, and a majority of other European countries (Brewster, 1988). Selection interviews were adopted by all the multinational enterprises (MNEs). The formality of the selection interview depends on the number of candidates vying for the expatriate assignment.

Tung (1981) proposed a selection process, which was designed as a decision tree where progression to the next level of selection or training requires an assessment of the critical factors regarding the candidate or job. The simplest selection process involves choosing a local national where minimal training is necessary. Kobrin (1988) suggested that all other factors unchanged, a local national may have an edge over an expatriate in the staffing of an overseas position because of familiarity with host-country language, culture and politics. Nevertheless, the need to retain strategic control over the foreign subsidiaries and develop an international cadre is reasons while expatriation is still often practiced.

Through empirical studies of American MNEs it was found that selection criteria for expatriates differed according to job category from the CEOs to the functional head and the operative. Studies indicated that the most important criteria for the selection of a CEO for an overseas subsidiary would be communication skills, managerial talent, maturity, emotional stability and adaptability to new environmental settings. For functional head, the criteria were maturity, emotional stability, and technical knowledge. Knowledge of host country language was considered important for functional head and operative jobs (Dowling, Schuler & Welch, 1994; Tung, 1981). Tung's (1988) study of expatriate selection in the USA, Japan, and Europe found that managerial talent was one of the top selection criteria in all three geographical areas for the selection of CEOs.

Mendenhall and Oddou (1978) claimed that a multidimensional approach is important in the successful selection of expatriates and proposed a four dimensional model that attempts to link specific behavioral tendencies to probable overseas performance. The four dimensions in the expatriate adjustment process are: the self-oriented dimension, the others-oriented dimension, the perceptual dimension, and the cultural-toughness dimension. Another model offered by Ronen (1989) has five categories of attributes for expatriate success: job factors, relational dimensions, motivational state, family situation, and language skills. Czinkota, Ronkainen and Moffett (1994) identified three broad factors of traits typically mentioned in choosing managers for overseas assignments, and provided a more comprehensive listing of specific criteria for

selection. These are: competence (technical knowledge, leadership ability, experience, specialised expertise and language skills); Adaptability (interest in overseas work, cultural empathy, family adaptability, appreciation of new management styles and environmental constraints); Personal characteristics (age, education, health, gender, marital status, and trustworthiness). Briscoe (1995) suggested that in addition to a clear understanding of the technical and cultural requirements, selections for international assignments are most successful when based on the following factors: the maturity of candidate, ability to handle foreign languages, possession of favourable outlook on international assignment, and appropriate personal characteristics.

In spite of numerous studies conducted on expatriate selection criteria, there is little agreement among scholars on the set of effective criteria. Many American studies used the Business International (1970) list of 15 categories: experience, adaptability and flexibility, technical knowledge of the business, competence, ability and past performance, managerial talent, language skills, potential, interest in overseas work, appreciation of new management and sensitivity, proper education, initiative and creativity, independence, good ability to communicate, maturity and emotional stability.

Most researchers found the categories of non-discrete variables insufficient and supplemented with other categories. Many authors noted other criteria that are explicitly contained within the Business International list. Ivancevich (1969) included sincerity and integrity. Tung (1982) included demographic variables and relevant overseas experience. In addition, criteria that are predictive of acculturation and productivity in the overseas assignment have been cited by many authors (Abe & Wiseman, 1983; Mendenhall & Oddou, 1985; Tung, 1981).

Family adaptability was added as a criterion by Gonzalez and Neghandi (1967). The point on family adaptability was also emphasised by Harvey (1985). He suggested that family support is probably the deciding factor behind expatriate success. He explained the crucial role of the expatriate's family in providing him an indispensable source of motivation and mental security. As such, organisations are encouraged to provide necessary supports to expatriate families. As part of the expatriate development policy, the organization should consider every means to ensure that the welfare of the expatriate family is duly taken care of.

Despite the overriding importance of the criteria listed above, U.S. corporations have the tendency to focus their selection efforts on one single criterion - technical competence. Mendenhall, Dunbar and Oddou (1987) made this observation from their extensive research. Earlier studies by Hays (1974), Miller (1972) and Tung, (1981) have also noted this tendency too. These studies encourage more comprehensive expatriate selection procedures as opposed to the narrow emphasis placed on technical competence alone. Brewster's survey (1988) identified 16 key selection criteria that were commonly used by European MNEs. About 20% of the surveyed companies leave top priority to technical competence in the selection of the expatriate. This observation was also consistent with previous studies, which showed the undue emphasis placed on technical expertise. Next on the list were language ability and family support with an equal number of companies mentioning them as important selection criteria.

Personality variables are often important criteria in the expatriate selection process. Raffael (1982) wrote of the expatriate qualities emphasised by organisations in the selection process. The attributes were summarised from detailed interviews with 31 expatriate recruiters. Technical competence, adaptability, ability to communicate, initiative, emotional stability and self-confidence, discretion international outlooks and supportive spouses are factors considered

in the selection process. According to these professional recruiters, the principles for picking the best possible expatriate managers are universal; though some apply in greater degree for some expatriates. In addition, there are other specific criteria that apply in certain situations. For example, in some countries, specific levels of work experience, academic or technical qualification or medical fitness are required before an entry visa or work permit can be granted. It was also observed that certain religious, nationalities or ethnic groups were not allowed to work as expatriates in some countries. These factors also need to be considered expatriate selection.

Whilst there have been a few studies on the effect of nationality on the expatriate selection criteria, they have not examined with respect to expatriate selection for Asia (Arthur & Bennett, 1997). Further, they did not introduce controls for the effects of the assigned country. The assigned country in this study is Singapore and this choice of a common assigned country does provide some control over the conditions in the assigned country. A number of studies have highlighted the differences in selection criteria for CEOs and other managers (e.g. Dowling, Schuler & Welch, 1994; Tung, 1988; Tung, 1981). But no study was found to have mentioned the selection of expatriates for Asia. In addition to providing descriptive information about the expatriate selection for Asia (in particular, Singapore), this paper attempts to test three hypotheses relevant to expatriate selection for Asia.

## **Methodology**

The research methodology for the study consisted of interviews with five expatriates from each group, and a survey of American, German, Korean, and Japanese expatriate managers working in Singapore. A questionnaire was developed to collect data on several issues relating to selection and other areas of expatriate management. In designing the questionnaire, some items were selected from previous surveys used in similar studies conducted in other countries, which were integrated with additional items developed from the findings of the interviews and the literature review.

The questionnaire was pilot tested before administration to a sample of forty expatriates each from these countries. In the process, views and suggestions were gathered on further improvement to the questionnaire so that it is comprehensive enough to cover the relevant issues and is easy enough to complete by the expatriates. The questionnaire was administered personally to achieve a good response rate.

***Samples.*** For the purposes of the study, the authors obtained stratified random samples of American (180), German (180), Korean (170), and Japanese expatriates (180). The expatriates represent various multinational enterprises (MNEs) operating in three major business sectors in Singapore; namely, manufacturing, transportation or logistics, and financial services. Most of the MNEs based in Singapore were from these three sectors and the classifications of these sectors were taken from the Singapore Standard Industrial Classification (1990).

A total of 103 completed questionnaires were obtained from the Korean sample (response rate of 60.59%); 72 from the American sample (40.0%); 80 from the German sample (44.44%) and 150 from the Japanese sample (response rate of 83.33%).

## ***Hypotheses***

The following hypotheses developed from the literature review and interview findings were tested for the study and the results are presented below. The country of origin of the expatriate embodies various factors that may contribute to the difference in selection criteria. These factors include culture in the sense employed by Hofstede (1980) and Trompenaars (1993). It has been shown in Arthur & Bennett (1997) that there are differences between the clustered groups of expatriates in their study. Hence,

H1: that the selection criteria considered important for success in Asia are different across the four groups of expatriates.

The literature shows that selection criteria for CEOs differed from those who were functional heads. It is suggested that the selection criteria would also vary between expatriates, assigned to the different functional areas or job categories. Therefore,

H2: the selection criteria for expatriates in Asia are different for the different job categories.

Whilst the industry expatriates are engaged in would appear to influence the selection criteria, prior studies into expatriate selection have not examined this aspect. Hence,

H3: that selection criteria for expatriates are different for different industrial sectors.

## **Results**

### ***Respondents' Profiles***

The representation of the expatriates from the three major business sectors is shown in Table 1 below.

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**INSERT TABLE 1 HERE**

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The majority of the respondents are in the manufacturing industry, followed by the financial services sector, and transportation/logistics, with the exception of Japan where the respondents are evenly distributed across the three industrial sectors.

Table 2 presents the demographic information on the distribution of age, gender and marital status of the responding expatriates. It can be observed that most of the respondents were of ages between 30 to 44 years old, while there were no respondents under the age of 24 for Germany, Korea and Japan. Male respondents formed an overwhelming majority in all groups of respondents. The American respondents manifest the same imbalance although there is a higher representation of female expatriates compared with the other countries. This gender imbalance is consistent with worldwide trend of overseas assignees, and is not peculiar to American, German, Japan, or Korean MNEs only. Of these groups of respondents, it appears that American, Korean and Japanese MNEs prefer married expatriates, whereas German companies are open to both. Most of the expatriates (70.5%) were of ages 30 to 44 years old, while respondents between the ages of 25 to 29 years constituted only 10.1% of the total sample. This is consistent with findings that age, knowledge of the industry and experience in the company, are the most important factors used for selection of the Asian expatriates.

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**INSERT TABLE 2 HERE**

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Table 3 depicts the primary functional areas of the respondents. It was observed that the top three primary functional areas for expatriates are in the areas of General Management, Finance/Accounting and Marketing/Sales.

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**INSERT TABLE 3 HERE**

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### ***Hypotheses***

The hypotheses were tested using MANOVA. The results of the MANOVA test for the overall effect for nationality ( $F=14.397$ ,  $df=21.00$ ; Roy's Largest Root,  $p=0.000$ ), industry ( $F=3.384$ ,  $df=21.00$ , Roy's Largest Root,  $p=0.000$ ) and respondents' primary functional area ( $F=3.507$ ,  $df=21.00$ , Roy's Largest Root,  $p=0.000$ ) were significant.

The three hypotheses therefore cannot be rejected, which means that there are significant differences in the selection criteria across the various countries, industry groups and functional areas. The means of the selection criteria and the subsequent ANOVA results for the selection criteria across the various countries, industry groups and functional areas are shown in Table 5.1, 5.2, and 5.3.

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**INSERT TABLE 5.1, 5.2, and 5.3 HERE**

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The authors also conducted post hoc analyses of the selection criteria across the countries, industry groups, and functional areas using Tukey HSD, where the ANOVA results had shown that there was significant difference in the means of selection criterion. The results are shown in Table 6.1, 6.2 and 6.3 below:

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**INSERT TABLE 6.1, 6.2 and 6.3 HERE**

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### **Discussions**

The findings show that the three hypotheses are accepted. Nationality, industry and job category do show significant differences in the mean scores for the criteria considered by the respondents to be important for success in overseas assignments.

A perusal of Tables 5.1 shows that the top three means for the selection criteria (ranked according to their means) is not uniform for the four groups of expatriates by nationality. Whilst "technical knowledge" is rated among the top three criteria for USA, Japan and Korea, it is not one of the top three criteria for Germany. The only other top three mean score that features across the groups is communication skills, that is rated highly by the American and German expatriates.

The same observation on the top three means for the selection criteria can be seen in Tables 5.2 and 5.3. When the selection criteria are considered by industry group (Table 5.2), there is only one instance where there is only one commonality, "knowledge of the industry competition," between manufacturing and financial services. In Table 5.3 where the means for the criteria for each primary function area are shown, few criteria are shared in terms of the same relative importance across the areas. "Technical knowledge of the job" and "knowledge

of the industry competition” are common to financial/accounting, production/engineering, and information technology. “Technical knowledge of the job” is also among the top three means for R & D. “Experience in the company” is common to R & D, human resource, and information technology functional areas. Apart from these instances, there is diversity in the criteria rated most highly.

The country from which the expatriates come embodies a number of possible explanations for the differences in the relative importance of the selection criteria. Firstly, the difference could stem from a particular country’s experience with expatriation and overseas operations in a region or country. MNEs from the four countries- America, Japan, Germany and Korea have extensive investments and varying experience in Asia.

The following observations may be made from the results of the *post hoc* analysis. In terms of proximity to Singapore, Japan and Korea are closer compared to USA and Germany. However, Korea has only begun to have direct investments in the regional countries in the last fifteen years. Of the two countries; America and Germany, American MNEs have invested in Singapore more extensively than Germany. These may explain the differences in the selection criteria on the basis of the sending country’s prior experience. This could possibly explain the greater instances observable in Table 6.1 where the South Korean expatriates place greater importance than the other groups (i.e. where the mean differences are statistically significant). Relative to their Asian counterparts from Japan, the South Koreans have rated eleven of the selection criteria more highly and where the mean differences are statistically significant.

Second, familiarity on the part of each of the sending countries with the business environment in the host country, in this case Singapore, may provide some explanation for the differences in the selection criteria. For example, the difference in the means for “knowledge of the host country” which shows that the German expatriates place greater importance on this than the Japanese. Likewise, it can be observed from Table 6.1 that American and Korean expatriates place greater importance than Japanese expatriates on this aspect. This finding may be explained by the fact that the Japanese have had extensive operations in Singapore since its early days of industrialization in the 1960s. There is a Japanese community, with a Japanese school operating at three locations in Singapore. Whilst there is an American community in Singapore, the Americans have, according to interview data and anecdotal evidence, little knowledge of Singapore prior to their assignment to Singapore.

Host country familiarity may also explain the difference in emphasis placed on language skills. Korean expatriates place greater importance on this criterion when compared with the rest. As English is the primary language of communication in Singapore, the Americans would have little difficulty with language. The Germans usually learn English as an optional second language in schools. The same is true for the Japanese, who are also aided by the fact that there is interest among Singapore citizens in Japanese as a language.

Third, each country has a different work ethos and corporate culture. The literature informs us that the Japanese have corporate cultures that are inclined towards reverence for authority and hierarchical authority. There is also a tendency to have centralized planning and control (Fukuyama, 1995). These corporate cultures may explain why the Japanese expatriates place less emphasis on “interest in overseas work” when compared with the American and German expatriates.



The results of the *post hoc* analysis provide further insights into the selection criteria emphasis that may be dependent on the industry. There is a significant difference in the means for “technical knowledge” between manufacturing and financial services ( $p=.01$ ) and between manufacturing and transportation ( $p=.05$ ). Expatriates in the financial services sector place greater importance compared to those in manufacturing on a number of selection criteria: technical knowledge of the job, experience in the company, previous overseas experience, knowledge of host country environment, and language skills of host country. Expatriates from transportation place a greater emphasis on “communication skills” and “self-control/patience” than those in financial services ( $p=.01$ ). These results indicate that it would be useful to further explore the implications of the industry in selection criteria.

At the level of primary functional areas, the results of the *post hoc* analysis indicate that expatriates in general management rated “previous overseas experience” higher than their marketing/sales counterparts. This emphasis may be part of the career development profile for general managers. Expatriates in marketing/sales rated “health condition” more highly than their general management and financial/accounting counterparts. This higher rating may be explained by the fact that where companies assign expatriates for marketing/sales functions, they are expected to travel extensively in the region, entertain customers, work to rush deadlines for tenders, etc.; hence, the higher rating given to health conditions.

## **Conclusions**

The findings from this study indicate that further research is needed to better understand the selection criteria for expatriation that could lead to greater success in overseas assignments in Asia. It is clear that the nationality of the expatriates, the industry in which they are placed and their functional areas influence the selection criteria.

The authors have sought to contribute to the understanding of expatriate selection for success in Asian operations using the case of Singapore. There are limitations to the study, some of which are common to other previous studies. The study of expatriate selection would be enhanced greatly if there was a way to employ a dependent variable for success in overseas assignment in the form of a metric measure. However, this will not come about unless there is consensus on the definition of success as Caligiuri (1997) suggests.

Another shortcoming of the study is the lack of the conceptual underpinning. This criticism has also been leveled at previous studies. Whilst the authors have drawn attention to specific theoretical perspective and written the paper from the perspective of human resource strategy, a satisfactory conceptual model relevant to Asia could not be found after extensive literature review. Further research is required to develop a framework that encompasses the aspects suggested by this study: prior experience of the sending country, corporate cultures, industry, and functional areas that the expatriate managers are assigned to. Another area of required research would be to compare the findings with those from other studies conducted in western countries.

The empirical findings from this study would definitely contribute to the knowledge of international management. It has shown that through its findings that in a pluralistic world we live in, one cannot assume that there is one model of international management and for that matter, one set of criteria for expatriate selection to be used for all countries, industries and

functional management positions, even in one continent of Asia. A pluralistic world demands greater understanding of the differences in selection criteria for expatriate success; the expatriates themselves are needed as the world has truly become a global village where diverse cultures, and backgrounds meet. To this end, the authors hope to have made a significant contribution.

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**Table 1**  
**Distribution of Respondents by Industry and Economy (%)**

<b>Economy Industry</b>	<b>Manufacturing</b>	<b>Transportation/ Logistics</b>	<b>Financial Services</b>
<b>America</b>	47.2	19.4	33.3
<b>German</b>	47.5	17.5	35.0
<b>Korea</b>	41.7	25.2	33.0
<b>Japan</b>	33.3	33.3	33.3
<b>Total</b>	40.7	33.6	25.7

**Table 2**  
**Demographic Characteristics of the Respondents (%)**

<b>Age</b>	<b>≤ 24</b>	<b>25-29</b>	<b>30-34</b>	<b>35-39</b>	<b>40-44</b>	<b>45-49</b>	<b>&gt;50</b>	<b>Married</b>	<b>Single</b>	<b>Male</b>	<b>Female</b>
<b>American</b>	1.4	5.6	13.9	13.4	30.6	16.7	8.3	83.3	16.7	81.9	18.1
<b>Germany</b>	-	18.8	15.0	18.8	21.3	13.8	12.5	60.0	40.0	97.5	2.5
<b>Korea</b>	-	5.9	20.6	37.3	30.4	4.9	1.0	92.2	7.8	93.2	6.8
<b>Japan</b>	-	10.7	28.0	28.7	11.3	16.7	4.7	87.3	12.7	95.3	4.7
<b>Total</b>	0.2	10.1	21.0	28.0	21.5	13.1	5.9	82.4	17.6	92.6	7.2

**Table 3**  
**Primary Functional Areas of the Respondents (%)**

	<b>America</b>	<b>German</b>	<b>Korea</b>	<b>Japan</b>	<b>Total</b>
<b>General Management</b>	27.1	57.7	31.4	23.8	33.0
<b>Production/Engineering</b>	8.6	12.8	13.7	6.1	9.8
<b>Human Resources</b>	4.3		6.9		2.5
<b>Information Technology</b>	4.3		2.0		1.3
<b>Finance/Accounting</b>	11.4	7.7	20.6	20.4	16.4
<b>Public Relations</b>			2.0	1.4	1.0
<b>Marketing/Sales</b>	28.6	15.4	19.6	43.5	29.2
<b>Research &amp; Development</b>	8.6	3.8	2.0	1.4	3.3
<b>Distribution</b>	4.3		1.0	0.7	1.3
<b>Customer Service</b>		2.6			0.5
<b>Others</b>	2.9		1.0		1.8
	100	100	100	100	100

**Table 4**  
**MANOVA results for Selection Criteria**

<b>Wilks' Lambda</b>	<b>Country</b>	<b>Industry</b>	<b>Functional Area</b>
<b>F</b>	2.900	2.030	1.321
<b>Hypothesis df</b>	84.00	63.00	210.00
<b>Significance</b>	0.000	0.000	0.002

**Table 5.1**  
**Selection Criteria: Mean, Standard Deviation and ANOVA by Country**

	USA		Germany		Japan		South Korea		ANOVA	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	F	Sig.
Technical knowledge of the job	3.92	0.83	3.69	0.82	3.87	1.02	3.93	0.73	1.360	0.255
Knowledge of the industry competition	3.86	0.76	3.83	0.78	3.58	0.99	4.15	0.75	9.025**	0.000
Experience in the company	3.56	0.95	3.65	0.87	3.39	0.93	3.92	0.72	7.778**	0.000
Interest in overseas work	3.82	0.76	4.15	0.75	3.43	0.79	3.66	0.75	15.972**	0.000
Previous overseas experience	2.97	0.96	3.23	1.03	2.55	0.99	3.01	0.83	10.357**	0.000
Education background	3.14	0.74	3.24	0.80	3.10	0.94	3.28	0.66	1.222	0.301
Communication skills	4.13	0.80	3.84	0.86	3.86	0.79	3.83	0.77	2.468	0.062
Knowledge of host country environment	3.60	0.85	3.40	0.84	2.91	0.73	3.31	0.78	14.920**	0.000
Language skills of host country	2.58	0.88	2.66	0.92	2.62	1.14	3.28	0.93	11.072**	0.000
Independent working/decision making skills	4.04	0.80	3.98	0.84	3.91	0.84	3.36	0.74	14.554**	0.000
Conflict management skills	3.58	0.78	3.61	0.92	3.29	0.83	3.26	0.75	4.841**	0.003
Stress management skills	3.64	0.94	3.60	0.91	3.34	0.73	3.21	0.87	5.464**	0.001
Leadership & Employee development skills	3.81	0.78	3.81	0.71	4.06	0.93	3.24	0.79	20.141**	0.000
Age	2.35	0.79	2.50	0.89	2.07	0.80	2.36	0.73	6.106**	0.000
Gender	2.35	0.92	2.26	0.91	2.21	0.93	2.43	0.88	1.300	0.274
Health condition	3.24	0.81	3.15	0.83	3.96	0.78	3.33	0.75	26.292**	0.000
Marital Status	2.35	0.92	2.35	0.96	1.92	0.94	2.54	0.91	10.206**	0.000
Family adaptability	3.47	0.93	3.19	0.98	2.85	1.10	3.14	0.73	7.302**	0.000
Religious orientation	1.93	0.88	1.77	0.73	1.82	0.88	2.18	0.95	4.386**	0.005
Self-control / Patience	3.63	0.93	3.19	0.70	3.75	0.83	3.50	0.65	9.460**	0.000

\* = significant at 0.05 level

\*\* = significant at 0.01 level

(1= Not Important; 5= Most Important)

**Table 5.2**  
**Selection Criteria: Mean, Standard Deviation and ANOVA by Industry**

	<b>Manufacturing</b>		<b>Financial / Accounting</b>		<b>Transport / Logistics</b>		<b>ANOVA</b>	
	<b>Mean</b>	<b>Std. Dev.</b>	<b>Mean</b>	<b>Std. Dev.</b>	<b>Mean</b>	<b>Std. Dev.</b>	<b>F</b>	<b>Sig.</b>
Technical knowledge of the job	4.070	0.770	3.680	1.040	3.760	0.760	8.719**	0.000
Knowledge of the industry competition	3.960	0.730	3.790	0.900	3.650	1.030	4.047*	0.018
Experience in the company	3.470	0.920	3.740	0.830	3.640	0.920	3.370*	0.035
Interest in overseas work	3.690	0.870	3.650	0.860	3.790	0.600	0.928	0.396
Previous overseas experience	2.670	1.100	2.990	0.920	3.040	0.840	5.955**	0.003
Education background	3.090	0.730	3.200	0.930	3.300	0.770	2.105	0.123
Communication skills	3.850	0.850	3.790	0.720	4.110	0.810	5.161**	0.006
Knowledge of host country environment	3.100	0.910	3.380	0.760	3.260	0.750	4.364*	0.013
Language skills of host country	2.550	1.030	3.090	1.050	2.790	0.970	10.557**	0.000
Independent working/decision making skills	3.810	0.890	3.860	0.830	3.730	0.820	0.690	0.502
Conflict management skills	3.360	0.810	3.400	0.940	3.450	0.720	0.392	0.676
Initiative, Creativity, Innovativeness	3.890	0.810	3.700	0.780	3.650	0.870	3.373*	0.035
Stress management skills	3.470	0.860	3.310	0.870	3.450	0.820	1.472	0.231
Leadership & Employee development skills	3.780	0.870	3.690	0.930	3.810	0.850	0.547	0.579
Age	2.300	0.850	2.320	0.770	2.180	0.810	0.942	0.391
Gender	2.350	0.990	2.320	0.810	2.190	0.910	0.972	0.379
Health condition	3.520	0.870	3.430	0.820	3.610	0.900	1.306	0.272
Marital Status	2.190	0.970	2.320	0.880	2.210	1.060	0.657	0.519
Family adaptability	3.200	1.000	3.050	0.910	3.000	1.070	1.546	0.214
Religious orientation	1.960	0.900	1.930	0.850	1.840	0.900	0.540	0.583
Self-control / Patience	3.570	0.740	3.380	0.810	3.770	0.850	7.327**	0.001

\* = significant at 0.05 level

\*\* = significant at 0.01 level

(1= Not Important; 5= Most Important)

**Table 5.3**  
**Selection Criteria: Mean, Standard Deviation and ANOVA for Primary Functional Areas**

	GM		M/S		F/A		P/E		R&D		HR		IT		DIST		PR		CS		ANOVA	
	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	ξ	S.D.	F	Sig.
Technical knowledge of the job	3.75	0.83	3.80	0.90	4.00	0.97	4.13	0.73	3.69	1.03	3.70	0.67	4.20	0.84	3.80	1.10	3.50	0.58	3.50	0.71	1.108	0.355
Knowledge of the industry competition	3.73	1.03	3.79	0.74	4.00	0.77	3.90	0.75	3.38	0.87	4.20	0.79	4.40	0.55	3.60	0.89	3.75	0.96	4.50	0.71	1.364	0.195
Experience in the company	3.70	0.87	3.47	0.96	3.55	0.81	3.51	0.91	3.69	1.03	3.80	0.79	4.20	0.84	3.40	0.89	3.50	0.58	4.50	0.71	0.998	0.444
Interest in overseas work	3.85	0.74	3.64	0.77	3.49	0.90	3.77	0.96	3.54	0.66	4.00	0.82	4.00	0.71	3.80	0.45	3.50	0.58	4.50	0.71	1.561	0.116
Previous overseas experience	3.11	0.94	2.62	1.04	2.82	0.86	2.72	1.07	2.77	1.24	3.00	1.15	3.20	0.84	3.60	0.89	3.25	0.50	4.00	0.00	2.503 <sup>**</sup>	0.006
Education background	3.25	0.76	3.04	0.81	3.23	0.96	3.15	0.78	3.46	0.78	3.10	0.57	3.40	0.89	3.00	1.41	3.50	0.58	3.50	0.71	1.047	0.403
Communication skills	3.92	0.82	3.91	0.84	3.85	0.59	3.95	0.86	3.77	0.73	3.60	1.07	4.20	0.45	3.40	1.52	4.50	1.00	3.50	0.71	0.860	0.571
Knowledge of host country environment	3.25	0.85	3.24	0.85	3.18	0.73	3.23	0.96	2.92	0.76	3.50	0.71	3.00	0.71	3.40	0.89	3.25	0.50	3.50	0.71	0.434	0.930
Language skills of host country	2.75	1.01	2.64	1.11	2.97	1.03	3.05	1.02	2.31	0.85	3.40	1.07	3.00	0.71	2.60	0.55	3.75	0.50	3.00	0.00	1.818	0.056
Independent working/decision making skills	3.86	0.86	3.75	0.95	3.88	0.78	3.74	0.72	3.77	0.93	3.50	0.53	4.00	1.00	4.20	0.84	3.50	0.58	3.00	0.00	0.664	0.758
Conflict management skills	3.44	0.80	3.38	0.86	3.32	0.87	3.49	0.85	3.08	0.95	3.30	0.67	4.00	1.00	3.00	0.00	3.75	0.50	3.00	0.00	0.845	0.585
Initiative, Creativity, Innovativeness	3.72	0.86	3.86	0.82	3.85	0.71	3.67	0.90	3.38	0.96	3.70	0.67	3.80	0.84	3.40	0.89	4.00	0.00	3.00	0.00	0.921	0.514
Stress management skills	3.50	0.82	3.34	0.84	3.37	0.82	3.44	0.94	3.00	1.00	3.10	0.74	3.80	1.30	4.00	1.00	3.50	0.58	3.00	1.41	1.175	0.306
Leadership & Employee development skills	3.85	0.86	3.68	0.95	3.86	0.81	3.74	0.82	3.38	0.87	3.30	0.95	3.80	1.30	4.00	1.00	3.50	0.71	3.00	1.41	1.015	0.430
Age	2.23	0.88	2.26	0.81	2.17	0.65	2.49	0.88	2.46	0.78	2.00	0.67	2.60	1.14	2.40	0.55	2.75	0.50	2.50	0.71	0.861	0.570
Gender	2.44	0.85	2.12	1.06	2.22	0.67	2.49	1.07	2.62	0.51	2.20	0.92	2.40	1.34	2.00	0.00	2.00	0.00	3.00	1.41	1.370	0.192
Health condition	3.38	0.75	3.83	0.88	3.37	0.86	3.42	0.92	3.38	0.87	3.20	0.63	3.20	0.84	3.20	0.45	4.00	1.41	3.50	2.12	2.866 <sup>**</sup>	0.002
Marital Status	2.31	1.02	2.06	1.00	2.17	0.88	2.38	0.94	2.38	0.65	2.30	0.67	2.60	1.14	3.00	1.00	2.00	0.82	2.50	0.71	1.065	0.388
Family adaptability	3.09	0.97	2.93	1.10	3.18	0.85	3.23	1.01	3.23	0.73	3.22	0.67	3.40	0.55	3.20	0.84	3.00	1.15	4.00	1.41	0.744	0.683
Religious orientation	1.78	0.77	1.88	0.90	2.06	0.86	2.26	1.11	1.85	0.90	2.11	0.93	2.20	1.30	1.80	0.84	2.00	0.82	3.00	0.00	1.572	0.113
Self-control / Patience	3.56	0.86	3.67	0.77	3.32	0.69	3.62	0.78	3.00	1.08	3.70	0.48	4.00	1.00	3.40	0.89	4.00	0.00	3.00	1.41	2.108 <sup>*</sup>	0.023

ξ - Mean

GM - General Management

M/S - Marketing, Sales

F/A - Finance, Accounting

P/E - Production, Engineering

R&D - Research & Development

(1= Not Important; 5= Most Important)

S.D. - Standard Deviation

HR - Human Resource

IT - Information Technology

DIST - Distribution

PR - Public Relations

CS - Customer Service

\* = significant at 0.05 level

\*\* = significant at 0.01 level

**Table 6.1**  
**Post Hoc Analysis Results of the Expatriate Selection Criteria Based on Nationality**

	Mean Difference					
	USA-Germany	USA-South Korea	Germany-Japan	Germany-South Korea	Japan-USA	Japan-South Korea
Technical knowledge of the job	0.230	-0.010	-0.190	-0.240	-0.040	-0.050
Knowledge of the industry competition	0.030	-0.280	0.250	-0.320	-0.280	-0.570**
Experience in the company	-0.090	-0.370*	0.260	-0.270	-0.170	-0.540**
Interest in overseas work	-0.330	0.160	0.720**	0.490**	-0.390**	-0.230**
Previous overseas experience	-0.250	-0.030	0.680**	0.220	-0.430*	-0.460**
Education background	-0.100	-0.140	0.140	-0.040	-0.030	-0.180
Communication skills	0.290	0.300	-0.020	0.010	-0.270	0.030
Knowledge of host country environment	0.200	0.290	0.490**	0.080	-0.680**	-0.400**
Language skills of host country	-0.070	-0.700**	0.030	-0.620**	0.030	-0.660**
Independent working/decision making skills	0.060	0.680**	0.060	0.620**	-0.130	0.550**
Conflict management skills	-0.020	0.320	0.320*	0.350*	-0.290	0.020
Initiative, Creativity, Innovativeness	0.340	0.290	-0.250	-0.050	-0.090	0.200
Stress management skills	0.030	0.430**	0.260	0.390*	-0.300	0.130
Leadership & Employee development skills	-0.006	0.560**	-0.250	0.570**	0.260	0.820**
Age	-0.150	-0.010	0.430**	0.140	-0.280	-0.290*
Gender	0.080	-0.080	0.050	-0.160	-0.140	-0.220
Health condition	0.080	-0.090	-0.810**	-0.180	0.720**	0.630**
Marital Status	-0.002	-0.200	0.430*	-0.190	-0.430*	-0.620**
Family adaptability	0.280	0.330	0.340	0.050	-0.630**	-0.290
Religious orientation	0.160	-0.250	-0.040	-0.400*	-0.110	-0.360*
Self-control / Patience	0.440**	0.120	-0.570**	-0.320*	0.130	0.250

\* = significant at 0.05 level

\*\* = significant at 0.01 level



**Table 6.2**  
**Expatriate Selection Criteria Based on Industry**

	<b>Manufacturing- Financial</b>	<b>Manufacturing- Transportation</b>	<b>Financial- Transportation</b>
Technical knowledge of the job	0.400**	0.310*	-0.083
Knowledge of the industry competition	0.170	0.300*	0.130
Experience in the company	-0.260*	-0.170	0.091
Previous overseas experience	-0.320*	-0.370**	-0.046
Communication skills	0.062	-0.260*	-0.320
Knowledge of host country environment	-0.280**	-0.160	0.120
Language skills of host country	-0.540**	-0.240	0.300
Self-control / Patience	0.190	-0.200	-0.390**

\* = significant at 0.05 level

\*\* = significant at 0.01 level

**Table 6.3**  
**Expatriate Selection Criteria Based on Primary Function Areas**

	<b>Marketing / Sales – General Management</b>	<b>Marketing / Sales – Financial / Accounting</b>
Previous overseas experience	-0.510**	
Health condition	0.430**	0.450*

\* = significant at 0.05 level

\*\* = significant at 0.01 level