



ESCOLA DE GESTÃO DO PORTO
Universidade do Porto

Luisa Helena Ferreira Pinto

**International Assignments: policies and practices
related to the internationalization of Portuguese firms**

Porto, June' 2005



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Master Thesis

This master thesis was done under the supervision of Professor William B. Werther from School of Business Administration of the Miami University and Professor Daniel Bessa from Escola de Gestão do Porto, of the Porto University.

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Table of Contents

Abstract

| | |
|---|----|
| 1. Introduction..... | 6 |
| 2. Preliminary Literature Review..... | 7 |
| 2.1. Patterns of globalization and international work: from exports to global corporations..... | 7 |
| 2.2. Portuguese Economy Internationalization..... | 8 |
| 2.3. International Work Management: from business travels to international transfers..... | 10 |
| 2.4. International Assignments Cycle..... | 12 |
| 3. General Questions and Hypothesis..... | 14 |
| 4. Methodology..... | 16 |
| 4.1. Sample and procedure..... | 16 |
| 4.2. Measures..... | 17 |
| 5. Results..... | 18 |
| 5.1. Participating Companies..... | 18 |
| 5.2. International Assignment Policies and Practices..... | 21 |
| 5.3. Internationalization Stage and International Assignment Policies and Practices – Test of Hypothesis..... | 39 |
| 6. Discussion..... | 52 |
| 7. General Limitations of the Study..... | 57 |
| 8. Recommendations and suggestions for future research..... | 58 |
| Appendix 1..... | 60 |
| Appendix 2..... | 70 |
| Appendix 3..... | 94 |
| References..... | 95 |

Abstract

Companies at any stage of globalization need to move people across national borders. Managing international work assignments is becoming more and more important to assure companies achieve their strategic goals. The main purpose of this research is twofold: first, explore Portuguese companies' policies and practices in selection, training, compensation, adjustment and repatriation of international workers; secondly, relate these practices with companies' internationalization stage. We hypothesize that international assignments policies and practices relative to selection; training, appraising, rewarding and repatriation are positively related with the stage of internationalization, regardless of the company country of origin. Basing empirical evidence on a survey to the largest Portuguese and international companies, operating in Portugal, this study partially support our prediction. The study also reveals that Portuguese expatriates differ from expatriates in Portugal, on age, education, civil status and diversity of jobs performed in the host country. Also, Portuguese companies prefer expatriates from age 40 to 50, with university degrees that already have an international experience of four to seven years. In relation to international assignment policies and practices, the study shows that Portuguese companies still fall behind some of the best international management practices, as those relative to the absence of pre-departure training and performance appraisal and career development systems. Yet, results also show that companies are encountering fewer difficulties than reported in the literature in attracting employees for international assignments, in managing expatriates failures and in helping expatriates adjust. The reported percentages of expatriate failures are surprisingly low which opens new avenues of research. Implications for organizations, managers and expatriates are drawn and suggestions are made for future research.

1. Introduction

Companies at any stage of globalization need to move people across national borders. Managing international work assignments is becoming more important to assure companies achieve their strategic goals in the global arena. Linked to the growth of internationalization and global competition, the number of European-based multinational enterprises has increased. This suggests the growing importance of international economic activity, which impacts in human resources management in general, and international mobility in particular.

A review of the literature on expatriation reveals several facts. First, most texts are fundamentally descriptive and generally lack a theoretical framework (Bonache et al., 2001). Second, most studies fail to analyze the relationship between international strategy and expatriation policies and practices (Bonache et al., 2001; Bonache & Brewster, 2001). Third, most empirical evidence come from US multinationals (Black & Gregersen, 1991), Finnish (Suutari & Brewster, 2001) and more recently some other European countries (Bonache et al., 2001; Bonache & Brewster, 2001; Scullion & Brewster, 2001; Cyr, 1997). Fourth, there is little information about international work policies and practices in small and medium size enterprises (SME) and fifth, the literature is short concerning other forms of international work besides expatriation (with the exception, for example of Inkson et al., 1997).

The growing interest for expatriate Human Resource Management (HRM) in Europe is due to several important factors, such as those summarized by Scullion and Brewster (2001). First, the development of the European Union (EU) and more recently its expansion is leading to an increase of intra-Europe international investment and people mobility. Second, many non-European multinationals start treating the European market as a single region and are moving expatriate managers between their European units. Third, there has been an increase in the number of smaller and medium sized enterprises who have internationalized their operations and use international work, which can hardly be explained and understood by the research findings developed from larger multinationals. Fourth, Europe due to its geography allows for more creative forms of managing international work, besides overseas expatriation. Some alternatives, such as Euro-commuting and frequent business traveling, are more flexible for managers and their families. Not much research has been done about the impact of these forms of international work. Fifth, international moves in Europe are frequently just across the border and not much is known about the problems of managing expatriates in these circumstances nor about their adjustment difficulties on the other side of the border. Sixth, the flow of western European business activity to the east provides a unique framework for research. Seventh, international mobility in agencies and non-profit organizations is more common in Europe than elsewhere, which provide another interesting area for research. Finally, a sense of European citizenship seems to be emerging which together with the other factors creates a unique research field for international mobility.

Portugal by being among the 25 countries integrating into the EU combines some of these factors. In recent years, an increasing number of Portuguese private companies have started external investments. More interestingly many of these investments are made by small and medium sized enterprises in their early stages of internationalization, not only in Europe but also overseas in Africa and Brazil. Those

factors combined make this subject an even more interesting and relevant research study.

Therefore, this study seeks several objectives. First, on the basis of the international assignment cycle framework proposed by Black et al. (1999), this research seeks to explore Portuguese policies and practices in selection, training, compensation, adjustment and repatriation of international workers, comparing them with the standard literature about expatriation. Second, identify the internationalization stage of Portuguese and international subsidiaries located in Portugal and relate it with their international work management activities. Third, draw the implications of these findings for international human resources management and effective international work assignments, formulating suggestions for future empirical research.

Bringing this research to the attention of Portuguese academics and business managers is important for several reasons. First, national history justifies it: Portugal was one of the first countries to internationalize more than 500 years ago. Due to the small size of its domestic market, Portuguese companies tend to have a high percentage of revenues outside borders and also need to move people across borders. Second, many firms have built-up cross-border subsidiaries that enjoy a large degree of autonomy. This subsequently may reduce the need for expatriates, at least after the settle down period, and increase the use for other forms of international work. Third, the issues related with adjustment and repatriation deserves special attention since there is some evidence from the examination of expatriates "failure rates" that European organizations are more successful than North American firms at managing the process of expatriation (Tung, 1984; Brewster, 1991; Suutari & Brewster, 1999; Harzing, 1999). In this context, repatriation and adjustment difficulties will be addressed, so as to assess, in an exploratory way, this evidence and extract recommendations.

2. Preliminary Literature Review

2.1. Patterns of globalization and international work: from exports to global corporations

Four patterns of globalization have been characterized in the literature (Black et al., 1999; Harzing, W. 2000):

Export Firms – have most of their activities in one or a few countries and have little coordination among these organizational units. Export sales add value to domestic sales, their primary focus of interest. Generally, companies at this stage of globalization make a low use of international workers. Most often, home-based managers with geographical or product responsibilities visit international operations and sites and the firm relies on foreign agent and distributors.

Multidomestic Corporations – have multiple foreign operations, though each one is locally focused and not globally integrated. These corporations are more frequent in industries where competitors in one country are independent from competitors in the other. At this stage, companies make a low use of expatriates, since local knowledge is still fundamental for business success. Two types of international workers are sought: executives belonging to a pool of international managers and technical specialists internationally assigned for a short period (1

to 2 years). These professionals are assigned for specific reasons, usually to control and/or to transfer a particular technology or knowledge. These companies typically do not have systematic policies and practices for selecting, training and appraising international workers. At best, they define international practices and policies for compensation, so as to attract the talented people they need for accomplishing business missions.

Global Strategy Multinational Corporations – these companies have operations geographically dispersed with an extensive coordination between them. This coordination is frequently achieved through a common corporate culture shared across units, common policies and procedures and a more intensive use of international workers: both home and third-country managers, and technical specialists. In this case, business coordination, control and knowledge sharing is highly influenced by expatriate policies and practices, which gain a strategic importance.

Multifocal or Transnational Corporations – are companies whose competition in one place influences competition in the other. Therefore, their goal is to achieve a global coordination of their value-chain activities so as to capture synergies and strategic advantages among countries. For these companies, international workers are fundamental to achieve their goals and basically the main limitations to their expatriate policies and practices are the law differences between countries.

2.2. Portuguese Economy Internationalization

Portugal is a small European country in the south with a small population and a unique culture and language. It has a long tradition of mobility and internationalization. The early Portuguese expatriates were responsible for discovering Brazil and the maritime way to India. From the HRM point of view, it is important to note that Portugal has made a steady progress since entering the European Union (EU) in 1986. The number of students enrolled at university has increased steadily over the last years as well as the percentage of young females, which is now higher than 55% (see Table 1).

Students enrolled in public and private higher education

| Portugal | Total | Annual Var | Students by Gender - Women | |
|-----------|---------|------------|----------------------------|------------|
| | | | Students | Percentage |
| 2001-2002 | 396.601 | 2,3% | 226.113 | 57% |
| 2000-2001 | 387.703 | 3,7% | 221.042 | 57% |
| 1999-2000 | 373.745 | 4,8% | 211.221 | 57% |
| 1998-1999 | 356.790 | -0,9% | 199.444 | 56% |
| 1997-1998 | 359.949 | 2,6% | 205.342 | 57% |
| 1996-1997 | 350.850 | 100% | 200.241 | 57% |

Source: Ministry of Education

Table 1 - Students enrolled in public and private higher education in Portugal.
Source: Ministry of Education.

However, the number of students who graduate each year is still disappointing, averaging 16% of students enrolled. Women achieve better results than men (67% of graduates in 2001 were female), but do not seem to translate to international assignments.

In world competitiveness rankings (Porter et al., 2004), Portugal is ranked as the 25th in the Growth Competitiveness Index, ahead of such countries as Greece, Ireland or France. Breaking down this index in its subcomponents: Portugal ranks 31st on the macroeconomic environment index, and 22nd on public institutions and technology indexes (Porter et al., 2004). Previous year ranking has not changed much (23rd in 2003), which means that firms may find in Portugal a macroeconomic environment supportive for their initiatives. Yet wealth is actually created at the microeconomic level – in the ability of firms to create valuable goods and services using efficient methods. More productive companies require more skilled employees, better business information, improved infrastructures, better suppliers, more and better research institutions among other things. This is what the Index of Business Competitiveness captures, on which Portugal ranks on the 36th position. Computing this index on its subcomponents, Portugal ranks on the 46th position for the sophistication of company operations and strategy and on the 33rd for the quality of the national business environment. This competitive position means that business environment ranks ahead of current company sophistication and that most companies still remain focus on traditional ways of competing (Porter et al., 2004).

| Portugal - rankings | 2003 |
|--|------|
| Growth Competitiveness Index | 25 |
| Macroeconomic Environment Index | 31 |
| Public Institutions Index | 22 |
| Technology Index | 22 |
| Business Competitiveness Index | 36 |
| Company operations and strategy ranking | 46 |
| Quality of the national business environment ranking | 33 |

Source: World Economic Forum

Table 2 – Growth and Business Competitiveness rankings for Portugal

In relation with the foreign direct investment (FDI) of Portuguese companies, it has grown from about 684 million US dollars in 1992 to about 3.291 million in 2002, with considerable variance over the years.

Foreign Direct Investment (FDI) - Inflows and Outflows of foreign direct investment

| | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 |
|-------------------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|---------|---------|
| Portugal | 684 | 107 | 283 | 685 | 785 | 1.926 | 3.846 | 3.168 | 7.514 | 7.566 | 3.291 |
| EU15 | 103.005 | 92.854 | 120.345 | 158.573 | 181.835 | 223.267 | 418.616 | 734.393 | 939.818 | 429.217 | 350.058 |
| OECD Total | 185.522 | 208.175 | 248.465 | 315.423 | 343.229 | 410.130 | 651.531 | 1.043.707 | 1.235.795 | 684.258 | 566.671 |

Million US dollars

Table 3 - Foreign Direct Investment – Outflows in Portugal EU15 and OECD Total
Source: OECD Factbook 2005

Portuguese companies are in their early stages of internationalization. Previous research on the subject, conducted by Gago et al. (2004), through the study of thirty cases of internationalization, has shown that, with few exceptions, most of these companies are small or medium sized firms exploiting abroad their strategic advantages, through the acquisition of local small firms or through the direct investment in a start-up. Additional to this, formerly publicly owned companies recently privatized have also started competing internationally (Gago, 2004).

This growing internationalization has caused many firms to establish subsidiaries abroad. Has this increase been accompanied by an increase in the number of Portuguese expatriates? Do these trends hold implications for better international human resources policies and practices? This is an area that remains largely unresearched. Though one of the purposes of this study is to examine whether Portuguese foreign investment has led to an increase of international assignments and as a consequence what are the international work management policies and practices adopted.

2.3. International Work Management: from business travels to international transfers

Inkson et al. (1997) makes a distinction between two models whereby international experience can be obtained and used for career development and companies internationalization. The models are: Overseas Experience (OE) and Expatriate Assignment (EA).

| | EA <i>Expatriate Assignment</i> | OE <i>Overseas Experience</i> |
|----------------------------|------------------------------------|------------------------------------|
| Initiation | Company | Individual |
| Goals | Company projects (specific) | Individual development (diffuse) |
| Funding | Company salary & expenses | Personal savings & casual earnings |
| Career Type | Organizational career | Boundaryless career |
| Research Literature | Large | Nil |

Table 4 – Contrasting characteristics of Expatriate Assignments (EA) and Overseas Experience (OE)
– Adapted from Inkson et al. (1997).

According to the authors, these two models can be compared along with four dimensions: who initiates and funds the assignment, primary goals and career type. In the overseas experience the individual initiates and funds the international experience, mainly because he or she seeks to have a boundaryless career (Inkson et al., 1997; Stahl et al., 2002). The OE is by definition, a personal project, initiated and supported by the individual.

The expatriate assignment (EA) on the other hand, is initiated by the company, which invites the person for a new project outside the country, which has an open position in a foreign acquired company or an international business opportunity elsewhere. Therefore, even when the person has a strong motivation for an international career, it is the company that funds the initiative. Additionally, the person expects to gain some sort of career advantage, ranging from a promised return to the previous job up to a promotion within the company.

Some authors argue that the Expatriate Assignment model may make less sense when careers in the same company are becoming shorter, less certain and career development, in general, is becoming more fluid and open to frequent changes (Inkson et al., 1997). Additionally some authors argue that in the European context, the traditional “overseas assignment” may not be overseas and no longer than a two hours flight (Scullion & Brewster, 2001).

In line with these perspectives, we may envision each international work experience as part of a continuum, ranging from the international travel (the usual business trip) to the international transfer (definitive relocation to the foreign country). Figure 1 illustrates this based on the duration and goals for the assignment.

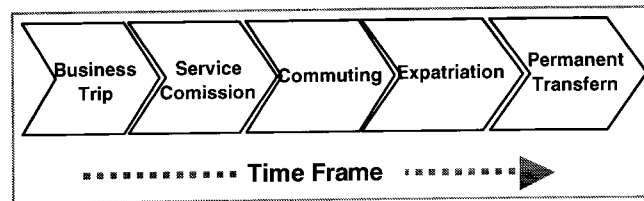


Figure 1 – International Work: a continuous framework

Business Trips are commonly held for multiple reasons, but most often do not take longer than 15 consecutive days. Despite the recent decreased due to terrorism, they are for many managers, an essential way to do their work. In line with Black et al. (1999) this is perhaps the most common form of international work for companies in the Export Stage of internationalization.

Service Commissions are short-term assignments (usually not longer than 18 months) and are made to achieve certain specific objectives important for the company. These may be actions related with a project start-up and/or implementation, a temporary replacement of a critical position, a training assignment etc. In these situations, most often the family does not move with the assignee, who keeps his or her initial residence as well as the employment contract and compensation in the home company. This form of international work is more frequent in service companies (IT, consultants etc.) and represents a more flexible way to achieve technical or specific business goals. Again, we may hypothesize that Portuguese companies in their early stages of internationalization, namely those in the multidomestic stage, use this form of international work more often, than the standard expatriation assignment because in this case, companies do not have to provide family housing nor make special arrangements to transfer the employment contract and compensation to the host country.

Commuting is another modality of international work. It can be seen both as a special case of business trip or expatriation, depending mainly on the duration and regularity of the assignment. Usually, the international assignee does not relocate with the family to the host country (as in the expatriation) but keeps it in the home country while commuting during the week. This commuting system may last for the entire assignment, from one to three or more years. This obviously demands for a well develop transport system that allows for comfortable weekly travel between host and home countries. Based on observations of Euro-deputies, we may hypothesize that this form of international work is far more frequent in Europe than elsewhere (for reasons related with the geography as well as transportation). Moreover, commuting

increase in the future as a way to cope with some challenges poses to companies, such as: dual-career couples, high expatriation costs, relocation difficulties, boundaryless careers etc.

Expatriation is the most common form of international work addressed in the literature. Usually it refers to long-term assignments, between one to three years, during which the expatriate relocates to the host country with his or her family. During the assignment the expatriate and the family need to develop cross-cultural adjustments so as to be effective on day-to-day relationships.

Permanent Transfers are seldom mentioned in the research literature. In this regard, they represent the end of the continuum, in which the assignee relocates permanently to the host country subsequently to an international assignment. Usually these transfers happen after an extended assignment in the host country or after a long period of international work. In this situation the expatriate integrates into the set of national employees, changing the nature of its employment contract. The previous advantages obtained as expatriate (special compensation packages and allowances) are usually lost.

The traditional lifelong international career is changing toward new forms of international work (Scullion & Brewster, 2001). This occurs in response to the pressure of several factors as the resistance to international mobility, quality of life concerns, dual career couple issues, but also as a specific trend related with the European context. Further research is needed to determine the relationship between these practices and the broader international strategy.

2.4. International Assignments Cycle

Several authors (Black et al., 1999; Scullion & Brewster, 2001) define international assignments as having a strategic role in the effective globalization of people. To build global leaders companies have to: (1) appropriately select assignees, (2) effectively train them for the challenges of a new job in a new company operating in a different country, (3) help assignees (and their families) adjust to cross-cultural differences, (4) efficiently compensate them for the assignment and related performance and (5) successfully repatriate assignees. The main research findings are summarized.

Selection

Extensive studies have been conducted on the subject, showing that the dominant selection criteria are technical expertise and domestic track record (Bonache et al., 2001). Other criteria as language skills and international adaptability seem to be more important for European companies than the others. In practice, line managers are making the selection from a small pool of known candidates who are either available or unique to achieve a specific goal. This may explain the differences between the number of male and female expatriates or the different number of home country and third country nationals. Other findings for Europe suggest that the number of expatriate managers available is declining, which constrain expansion projects, while their failure rate seems to be less significant than for US multinationals (Scullion & Brewster, 2001). Additional research is required so as to confirm and interpret these differences.

Training

Training and development initiatives are more common at European companies than in US multinationals (Bonache et al., 2001). Different models of training have been developed, contemplating different factors such as the nature of the international operation, the job and culture toughness, language skills etc. From these studies is emerging the conclusion that many other forms of preparation besides formal training can be both effective and cost efficient.

Cross-cultural adjustment

Some researchers (Black et al., 1999) focuses on three dimensions of cross-cultural adjustment: adjustment to the new job, adjustment to interacting with host country nationals and adjustment to the general nonworking environment. It seems that international assignees adjust easier to the work than to the interactions with host country nationals or to the general environment. Several issues can also affect adjustment before departure and after arrival. Before departure, some individual characteristics as cross-cultural training, recent overseas experience and willingness to move help adjustment. After arrival, adjustment will be easier depending on such factors as spouse adjustment, post arrival training, support from host country nationals and logistic support, just to mention a few (Black et al. 1999).

Appraising and Rewarding

There is not much empirical evidence available but research shows that rigorous and formal performance appraisal systems for expatriates are not universal. It seems that European companies tend to evaluate their managers much more based on the achievement of long-term goals than US multinationals (Bonache et al., 2001).

Regarding compensation, the dominant approach in multinationals is to make the "whole standard of living" of expatriate similar in the host as it was in the home country. It aims to keep expatriate's purchasing power in the host country similar to what he or she had in the home country by applying a cost of living index to the spendable income. Incentives and allowances are additionally created so as to attract and retain the talented people needed to foreign assignments. Together with others, the compensation systems conceived for expatriates have several limitations: expatriates generally do not accept them, do not account for different international strategies and do not assure a strong link between compensation and strategic goals achievement (Bonache et al., 2001). This is also a topic requiring additional research.

Repatriation

Most often expatriates do not have a permanent position in their firms, after finishing an international assignment (Black et al., 1999). In Europe this problem become even more important in recent years since most companies have rationalized their domestic operations, which decreased the number of available positions in the parent company. By using more home expatriates than third country nationals, the companies manage to heighten the problem. Other problems related with repatriation include loss of status, loss of income, loss of autonomy or career direction, which often lead to the conviction that the international experience is not valued by the companies. Research shows that many expatriates leave the company after returning, which represents a significant investment lost (Scullion & Brewster, 2001, Black et al., 1999).

Knowledge Transfer

As illustrated, a considerable amount of research has been made regarding the way companies select, train, evaluate, compensate and repatriate their expatriates (Scullion & Brewster, 2001). Most often, the main role attributed to expatriation has been that of control and operations coordination.

More recently Bonache and Brewster (2001) proposed a conceptual framework, which relates international assignments with knowledge transfer. By assuming that internationalization is a way of transferring specific assets, the use of expatriates may be an effective mechanism to transfer tacit knowledge between the operations of different countries. Based on a Spanish case study analysis, they provide evidence that the transfer of expatriates can assume a form of knowledge transfer. This interpretation helps to explain some of the above mentioned empirical results, such as the evidence that:

- (a) Most companies select their expatriates based on their technical competencies, even knowing that the success of the assignment is highly dependent on such factors as family support, personality characteristics or adaptability to other cultures (Black et al., 1999);
- (b) Most often expatriates are recruited internally, by their direct manager, without much support from HR professionals (Black et al., 1999);
- (c) Assignments vary in scope and duration;
- (d) Cross-cultural training essential to effective host adjustment and effective assignments are rarely offered (Black & Mendenhall, 1990),
- (e) Expatriates are still used even when the destination country has skillful managers and labor (Black et al., 1999);
- (f) Not all assignments have a positive impact on organizational careers (Black et al., 1999).

In line with this framework, knowledge is the most critical resource for organizations, it gives them strategic advantages difficult to imitate. Tacit knowledge is specific and rooted in the experience and competencies of the company's members and can only be revealed and transmitted through application. Since it cannot be contained or summarized in manuals or e-mail messages, the most effective way of disseminating it is through employee's assignments.

In this regard, we may hypothesize that the use of different forms of international work, ranging from business trips to expatriation, is dependent on such circumstances as employee's interests, competencies scarcity, geographic proximity, etc. But, moreover, people are motivated by the strategic importance of knowledge transfer for companies' survival.

3. General Questions and Hypothesis

This study characterizes and compares the practices adopted by Portuguese companies in relation with the above-mentioned phases of international work with the policies and practices adopted by international Companies having subsidiaries in Portugal. Furthermore, this research intends to see if there are differences related with the globalization stage and country of origin. By collecting data from international vs. less international experienced companies we will be able to assess the main differences.

Based on the preceding literature analysis, the following hypotheses are relevant to this research.

Internationalization Process and International Assignment Policies and Practices

Portuguese companies are at different stages of the globalization process. If international work policies and practices are related to the internationalization strategy, it is possible to find similarities in these policies and practices among companies in the same stage of internationalization. Therefore, we may hypothesize that companies at the same stage of internationalization tend to adopt more similar policies and practices of international work, regardless of their country of origin than companies at different stages. Therefore, one of the outputs for this study is to assess Portuguese firm's policies and practices regarding selection, preparation, training, compensation, adjustment and expatriates repatriation against literature best practices. Therefore, the following hypothesis are posited:

Hypothesis 1a: *The International Assignments policies and practices relative to **selection** will be positively related with the stage of internationalization, regardless of the company country of origin.*

Hypothesis 1b: *The International Assignments policies and practices relative to **training** will be positively related with the stage of internationalization, regardless of the company country of origin.*

Hypothesis 1c: *The International Assignments policies and practices relative to **appraising** will be positively related with the stage of internationalization, regardless of the company country of origin.*

Hypothesis 1d: *The International Assignments policies and practices relative to **rewarding** will be positively related with the stage of internationalization, regardless of the company country of origin.*

Hypothesis 1e: *The International Assignments policies and practices relative to **repatriation** will be positively related with the stage of internationalization, regardless of the company country of origin.*

Additionally, we may hypothesize that Portuguese companies in their early stages of internationalization, namely those in a multidomestic stage, use short-term assignments as service commissions more often, than long-term assignments as expatriation (defined as the relocation of an employee and his/her family for a period longer than one year). In this case, companies can transfer the knowledge they need to perform without carrying too much about the administrative prerequisites associated with expatriation (e.g. family accommodation, transfer the employment contract and compensation to the host country). On the contrary, the companies more advanced in the internationalization stage uses more the expatriation form, including the expatriation of third country nationals.

Hypothesis 2a: *The use of other forms of international assignments such as **service commissions** will be negatively related with the stage of internationalization, regardless of the company country of origin.*

Hypothesis 2b: *The use of other forms of international assignments such as **commuting** will be negatively related with the stage of internationalization, regardless of the company country of origin.*

Hypothesis 2c: *The use of the standard form of **expatriation** defined, as the relocation of the employee and family for more than one year, will be positively related with the stage of internationalization, regardless of the country of origin.*

International Assignments Cycle and Knowledge Transfer

If, in fact, companies use international assignments as a form of transferring tacit knowledge, then they shall prefer transferring parent country employees, selected internally. In this perspective, we may hypothesize that the use of different forms of international work, ranging from business trips to expatriation, is much more dependent on the strategic importance of knowledge between companies than any other reason. Therefore, longer assignments are expected to be used more frequently for critical positions than for other jobs of the company. Following the assignment cycle, we may hypothesize the following:

Hypothesis 3: *If companies use international assignments as a knowledge transfer mechanism, then the possession of that knowledge will be the primary selection criteria.*

Repatriation

Scullion & Brewster (2001) argue that relocation problems have become more important in European companies, since many have rationalized their domestic operations while using heavily home country expatriates. Returning to home country seems to be more difficult now than before, especially because there is less interesting positions to fulfill. More expatriates may be more open to the idea of leaving their original companies. This trend shall be more evident for the longer assignments such as expatriation.

Hypothesis 4a: *The departure rate from the company after the repatriation is positively related with the duration of the international assignment: the longer the assignments the higher the post repatriation departure rate.*

Hypothesis 4b: *The number of expatriates intending to leave the home company after returning from an international assignment is positively related with companies at a more stable stage of internationalization.*

4. Methodology

4.1. Sample and procedure

The sample of this study was drawn from the ranking of the largest 500 companies, operating in Portugal, as found in the Exam Review (2003). From this, a sub-sample of 187 firms having international operations was used. This includes Portuguese private companies, recently privatized companies and foreign subsidiaries operating in Portugal. The present sample provides a good representation of the various kinds of Portuguese and international companies operating in various industries, rather than

the situation of a few case industries, thought the numbers represented in each branch are relatively low.

A questionnaire, a stamped self addressed envelope and a letter from the school director indicating the scope and objectives of the research were sent to firms representatives, namely to Human Resources Managers or, in their absence, the Managing Director. Phone and mail contacts were made after sending questionnaires, so as to confirm its reception and clarify possible doubts. The questionnaire was previously tested for relevance with a number of executives and data were collected between December 2004 and May 2005.

Of the 187 questionnaires, 81 were returned and 53 were usable for a response rate of and 43,8%. This response rate is similar to other international survey mail studies (Leung & Selmers, 2003, Suutari & Brewster, 2001). Of the final 53 companies, 32 companies are Portuguese (60,4%) and 21 (39,6%) are international subsidiaries representing 11 countries.

4.2. Measures

The questionnaire is an eight-page survey (see Appendix 1), beginning with individual background variables such as gender, position and seniority in the company. Next includes company variables such as industry, country of origin/district, number of countries where operate, worldwide revenues and percentage of foreign revenues, worldwide number of employees and number of employees in Portugal, total number of expatriates and percentage of female expatriates. In addition, it includes a section relative to the characteristics of expatriates working in Portugal. A question regarding the perception of the internationalization stage of the company ends the general information section. In this question, respondents are asked their opinion about the current stage of internationalization classifying it in one of the five categories, from: an *Export Organization* i.e. a public or private national company exporting for several countries to a *Transnational Organization* i.e. an integrated and efficient network of interdependent international subsidiaries competing in the global market, on which the corporate center has a coordination role. Additionally, the questionnaire contains another four sections: general policies and practices, pre-departure practices, practices during assignments, repatriation and adjustment issues.

The general policies and practices section start with a question about whether the company has a written policy on international assignments. Next, a set of twenty-six sentences describing policies and practices is assessed by means of a five-point Likert scale ranging from (1) "*Not applicable*" to (5) "*Totally applicable*". International assignment management activities and actions of cost reductions are presented and respondents are asked to indicate whether they adopt them and by which departments. Respondents are also asked to assess the frequency of each type of assignment by professional group, as well as their average duration, past evolution on the last two years and perspectives for the following future. The respondents are also asked to mention if an international transfer has occurred and what were the reasons.

The Pre-departure section covers questions relative to the most common contractual form for international assignments, a set of possible selection criteria the respondents

are asked to circle from a five-point Likert scale ranging from (1) "*Not important at all*" to (5) "*Highly important*" and a question related with the selection methods in use in the company. The respondents are also asked about the existence of pre-assignment visits, pre-assignment training, and transportation of personal goods and pets. The respondents are then asked about difficulties in attracting employees for international assignments and possible turning downs to invitations and the reasons.

The section "During the assignment", includes questions about compensation, remuneration methods, place and currency of payment, relocation rules, housing and company car rules and travel practices. Respondents are also asked about school expenses, home leaves and dual career programs.

Post-assignment issues cover repatriation preparation and assignment failures. Respondents are asked to rate the usual percentages for: (a) expatriates repatriated before the end of contract for assignments failure; (b) expatriates who have performance below expectations due to adjustment difficulties; (c) expatriates who do not wish to go on an international assignment again; (d) expatriates who have resigned from the company to work in another place, within the 2 years after being repatriated and (e) expatriates who admit to resign the company after the international assignment. Respondents are asked to answer directly the question whether they consider having unsuccessful assignments in their companies and who are the responsible.

Finally, the questionnaire ends by asking respondents to mention how long do expatriates take to feel perfectly adjusted and with an open question to name the characteristics that ease expatriates adjustment.

5. Results

This part is divided in three sections: presentation of the participating companies, descriptive data for international assignments cycle policies and practices (see Appendix 2) and test of hypothesis.

5.1. Participating Companies

53 companies participated in this study. 32 (60,4%) are Portuguese companies and 21 (39,6%) are international subsidiaries representing 11 countries. Table 5 represents the country of origin of each participating firm.

Portuguese companies are from Porto (13 companies - 36,1%), Lisbon (10 firms - 27,8%), Aveiro (7 companies -19,4%) and Braga (2 companies - 5,6%), which is in line with the main industrial districts. The other 4 companies (11,2%) are from Guarda, Santarém, Viana do Castelo and Funchal - Madeira.

| <i>Countries</i> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------|-----------|--------------|---------------|--------------------|
| Portugal | 32 | 60,4 | 60,4 | 60,4 |
| USA | 6 | 11,3 | 11,3 | 71,7 |
| Germany | 4 | 7,5 | 7,5 | 79,2 |
| Spain | 2 | 3,8 | 3,8 | 83,0 |
| Sweden | 2 | 3,8 | 3,8 | 86,8 |
| UK | 1 | 1,9 | 1,9 | 88,7 |
| Denmark | 1 | 1,9 | 1,9 | 90,6 |
| France | 1 | 1,9 | 1,9 | 92,5 |
| Netherlands | 1 | 1,9 | 1,9 | 94,4 |
| Brazil | 1 | 1,9 | 1,9 | 96,3 |
| Belgium | 1 | 1,9 | 1,9 | 98,2 |
| Japan | 1 | 1,9 | 1,9 | 100 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

Table 5 – Home Countries represented in the sample

Regarding the industry composition, 21 industries are represented ranging from finance to pulp and paper industry, as summarized in Table 6. Some industries are not represented such as agriculture, fishing and related activities, extractive industry as well as public administration, defense and social security. Two reasons explain these: no private firm from these sectors belongs to the rank of the biggest 500 so could not be previously selected nor it is usual for them to have international assignments.

| <i>Economic Activity Classification</i> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|--------------|---------------|--------------------|
| OO - Other Services | 7 | 13,2 | 13,2 | 49,1 |
| DL - Electrical and Optical Equipment | 6 | 11,3 | 11,3 | 66,0 |
| F - Construction | 6 | 11,3 | 11,3 | 13,2 |
| DB - Textile | 3 | 5,7 | 5,7 | 79,2 |
| DD - Wood and Cork | 3 | 5,7 | 5,7 | 84,9 |
| DG - Chemicals and Syntactic Fibres | 3 | 5,7 | 5,7 | 96,2 |
| J - Financing | 3 | 5,7 | 5,7 | 30,2 |
| DE - Pulp and Paper | 2 | 3,8 | 3,8 | 88,7 |
| DI - Other Minerals and Non Metallic Products | 2 | 3,8 | 3,8 | 100,0 |
| DK - Non-Electric Machines and Equipments | 2 | 3,8 | 3,8 | 54,7 |
| DM - Transportation Material Manufacturing | 2 | 3,8 | 3,8 | 69,8 |
| G - Retail (Gross and Specialized) | 2 | 3,8 | 3,8 | 17,0 |
| H - Lodgement and Restaurants | 2 | 3,8 | 3,8 | 20,8 |
| I - Transports, Warehousing and Communications | 2 | 3,8 | 3,8 | 24,5 |
| K - Real State, Renting and Related Services | 2 | 3,8 | 3,8 | 34,0 |
| DA - Food, Beverage and Tobacco | 1 | 1,9 | 1,9 | 73,6 |
| DF - Oil and Gas | 1 | 1,9 | 1,9 | 90,6 |
| DJ - Metallurgy and Metallic Products | 1 | 1,9 | 1,9 | 50,9 |
| DN - Non-Electric Transforming Industry | 1 | 1,9 | 1,9 | 71,7 |
| E - Production and Distribution of Electricity, Gas and Water | 1 | 1,9 | 1,9 | 1,9 |
| O - Other Collective, Social or Personal Services | 1 | 1,9 | 1,9 | 35,8 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

Table 6 – Industries represented in the sample

Taking into account firm's dimensions, 17 companies (32,1%) operate in more than 25 countries and 12 (22,6%) operate in less than three countries. Similarly, 14 firms have revenues higher than 100.000 million euros while 7 firms have revenues lower than 100 million. For 5 companies (9,4%), foreign revenues represent less than 5% of total revenues, for 11 companies (20,8%) foreign revenues represent between 25

to 50% of total revenues and for 11 companies (20,8%) foreign revenues represent more than 75% of total revenues.

Companies also differ regarding the total number of employees: 17 firms (32,1%) have more than 10.000 worldwide employees vs. 15 companies (29,4%) that have less than 1.500 employees worldwide. In Portugal most companies – 37 companies (69,8%) employ less than 1.500 employees and this do not differ along with the country of origin. Likewise 26 companies (52%) have less than five Portuguese expatriates and 34 companies (77,3%) have less than five expatriates in Portugal. Only 2 companies (4%) possess more than 150 expatriates. The worldwide percentage of female expatriates is similar to that reported internationally (Black et al., 1999; Culpan et al., 2002; Guthrie et al., 2003) and is less than 5% for 35 companies (83,3%).

| Variables | Nationality | Descriptive Statistics | | | Test Statistics ^(a) |
|--|-------------|------------------------|---------|---------|--------------------------------|
| | | N | Average | St. Dev | Kolmogorov-Smirnov Z |
| Percentage of foreign revenues (outside country of origin) | 1,00 | 28 | 3,61 | 1,641 | 1,091 |
| | 2,00 | 14 | 4,64 | 1,737 | |
| Number of countries where the firm operate | 1,00 | 32 | 2,66 | 1,696 | 2,273 ^(*) |
| | 2,00 | 21 | 4,95 | 1,627 | |
| Total worldwide revenues | 1,00 | 31 | 3,81 | 1,470 | 1,185 |
| | 2,00 | 16 | 4,94 | 1,340 | |
| Worldwide number of employees | 1,00 | 32 | 3,81 | 1,378 | 1,931 ^(**) |
| | 2,00 | 19 | 5,42 | 0,961 | |
| Number of employees in Portugal | 1,00 | 32 | 3,38 | 1,185 | 1,314 |
| | 2,00 | 21 | 2,57 | 1,028 | |
| Portuguese number of expatriates | 1,00 | 31 | 2,06 | 1,237 | 0,618 |
| | 2,00 | 19 | 1,53 | 0,772 | |
| Expatriates in Portugal | 1,00 | 32 | 1,29 | 0,624 | 0,359 |
| | 2,00 | 21 | 1,52 | 1,030 | |
| Worldwide percentage of female expatriates | 1,00 | 30 | 1,30 | 0,988 | 1,220 |
| | 2,00 | 13 | 2,08 | 1,320 | |

1,00 = Portuguese Companies; 2,00 = International Companies

(a) Grouping variable: Nationality

(*) Sig. at 0,001

(**) Sig. at 0,01

Table 7 – Participating companies characterization

The results of the nonparametric two-sample test of Kolmogorov-Smirnov (see Table 8) show that the Portuguese companies differ significantly from international companies on the number of countries where they operate and the total number of employees. Portuguese companies have less worldwide employees and operate ($\mu_P = 3,81$; $\mu_I = 5,42$) in fewer countries ($\mu_P = 2,66$; $\mu_I = 4,95$). These differences will be taken into account while interpreting the remaining data.

In relation with the respondents, 32 are male (60,4%) and their average seniority in the firm is 10,21 years, with a standard deviation of 7,990 years. Figure 2 illustrates their professional backgrounds. 37 (69%) are Human Resources Experts: 25 are Human Resources Managers (46%) and 12 are Human Resources Professionals (23%). The remaining hold management positions, namely as Board Members (12 persons – 23%), General Managers (2 persons – 4%) or Other Management Positions (1 person – 2%). Only one respondent (2%) did not refer the corresponding position.

There are no relevant differences between the representatives of Portuguese companies and the counterparts from the International firms.

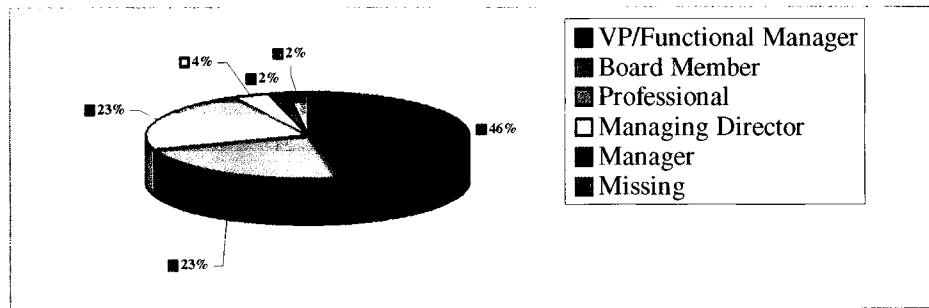


Figure 2 – Firm's representatives: positions in their companies

5.2. International Assignment Policies and Practices

Expatriates in Portugal vs. Portuguese Expatriates

The questionnaire includes a section relative to the characteristics of expatriates working in Portugal aimed to compare them with the Portuguese expatriates. Interesting results are obtained as can be observed in the following Tables.

| <i>Portuguese Expatriates</i> | | | |
|--|---|--|---|
| Age: 14,55% < 30 years 44,87% 30 – 40 years 23,09% 40 – 50 years 8,02% 50 – 55 years 2,98% 55 – 60 years 0,51% More 60 years | Education: 6,57% Up to 9 years 12,45% 9 - 12 years 6,41% Bachelorship 62,40% University Degree 3,36% MBA/Master 0,43% Other: | Marital Status: 25,63% Single 57,43% Married 9,24% Divorced 0,23% Other | Seniority in the Company: 7,33% Up to 2 years 18,37% 3 - 5 years 38,71% 5 - 10 years 27,26% More than 10 years |
| Position in the Company: 39,73% Expatriates in Management Positions 26,83% Expatriates in Project Management 9,88% Expatriates transferring knowledge and competencies 11,19% Expatriates in Management Development 2,98% Expatriates from the International Cadre | | | Years of International Experience: 24,10% Up to 2 years 30,25% 2 - 4 years 16,13% 4 - 7 years 18,47% More than 7 years |

Table 8 – Portuguese Expatriates

| <i>Expatriates in Portugal</i> | | | |
|---|--|--|--|
| Age: 6,18% < 30 years 31,97% 30 – 40 years 9,35% 40 – 50 years 26,12% 50 – 55 years 1,97% 55 – 60 years 3,79% More 60 years | Education: 0% Up to 9 years 6% 9 - 12 years 7,43% Bachelorship 60,57% University Degree 5,83% MBA/Master 3,03% Other: | Marital Status: 11,06% Single 65,06% Married 0,44% Divorced 1,56% Other | Seniority in the Company: 5,47% Up to 2 years 14,35% 3 - 5 years 28,73% 5 - 10 years 26,59% More than 10 years |
| Position in the Company: 52,37% Expatriates in Management Positions 10,97% Expatriates in Project Management 2,35% Expatriates transferring knowledge and competencies 4,21% Expatriates in Management Development 7,60% Expatriates from the International Cadre | | | Years of International Experience: 18,43% Up to 2 years 22,50% 2 - 4 years 9,33% 4 - 7 years 22,73% More than 7 years |

Table 9 – Expatriates working in Portugal

In general, Portuguese expatriates tend to be younger (59,42% were younger than 40 years vs. 38.15% for expatriates in Portugal), less educated (19,02% has less than 12

years of school vs. 6% for expatriates in Portugal) and unmarried (34,87% are single and divorced vs. 11,5% for expatriates in Portugal) than expatriates in Portugal.

Regarding the seniority in the company, both groups are equivalent: in both cases expatriates are senior in their own companies (65,97% of Portuguese expatriates have more than five years of experience vs. 55,32% for expatriates in Portugal). In relation with the years of international experience, 54,35% of Portuguese expatriates have up to four years of international expatriates vs. 40,93% for expatriates in Portugal.

Other differences between these populations refer to the position occupied in their companies. Expatriates in Portugal tend to have management positions (52,37%) and project management roles (10,97%) alternatively belonging to an international cadre (7,6%). Portuguese expatriates tend to have more diversified roles as managers (39,73%), project managers (26,83%), expatriates in management development (11,19%) and expatriates transferring knowledge and competencies (9,88%). Expatriates belonging to an international cadre are almost inexpressive (3,79%). Additional to the previously mentioned differences, the results of the nonparametric two-sample test of Kolmogorov-Smirnov show that some characteristics of the Portuguese Expatriates differ with the nationality of the company, which do not happens with none of the characteristics of the Expatriates in Portugal. Those characteristics are summarized in Table 10 and refer to age, education and international experience.

| Variables | Nationality | Descriptive Statistics | | | Test Statistics ^(b) |
|---|-------------|------------------------|---------|---------|--------------------------------|
| | | N | Average | St. Dev | Kolmogorov-Smirnov Z |
| <i>Portuguese Expatriates - Age 40-50</i> | 1,00 | 30 | 26,85 | 27,32 | 1,421 |
| | 2,00 | 17 | 16,47 | 32,60 | |
| <i>Portuguese Expatriates - University Degree</i> | 1,00 | 29 | 71,99 | 31,06 | 1,606 |
| | 2,00 | 16 | 45,00 | 48,03 | |
| <i>Portuguese Expatriates - International Experience 4 to 7 Years</i> | 1,00 | 26 | 22,83 | 29,85 | 1,538 |
| | 2,00 | 17 | 5,88 | 24,25 | |

(a) Grouping variable: Nationality

(b) Sig. at 0,05

Table 10 - Kolmogorov-Smirnov two sample independent test for Portuguese Expatriate characteristics

Data show that Portuguese companies, more than their International counterparts, tend to prefer Portuguese expatriates from age 40 to 50, with university degrees that already have and international experience of four to seven years.

International Assignment Policy

When asked if companies have a written international assignment policy, 58,5% answered positively, 35,8% answered "No" and 5,7% reply "Do not know". From those companies having a written policy, 36,4% consider it a worldwide policy, 33,3% judge it a global policy with local variations and 12,1% believe it is a policy only applicable to Portuguese expatriates. In 15,2% of the cases it is still under development.

The international moves covered are long-term assignments as expatriation (mentioned by 32 companies) and business trips (referred by 25 firms). Less pointed out are the other short-term assignments and permanent transfers (referred by 11 companies) as well as the comprising policies of all possible cases of international work (which were mentioned by seven companies).

To establish the general mix of the various types of assignments, respondents were asked to estimate their frequency and the frequency of each assignment by professional group. Table 11 summarizes the main findings. The most frequent assignments are business trips (37,5%), immediately followed by expatriation (33,2%). The remaining types of international assignments have a frequency lower than 10% for service commission and short-term assignments for training. The new forms of international assignments, as virtual missions and commuting have frequencies lower than 5% and are almost not referred by participants. Business Trips are the most typical international assignment category for managers and supervisors, while the short term assignment for training is the most typical one for professionals and graduates in training and development. Interesting is the fact that expatriation is not the most frequent category for any professional group.

| Assignments | Assignments Frequency (Within a range from 0 to 100%) | Assignments Frequency By Professional Group | | | |
|-------------------------------------|--|---|---------------|-------------|---------------------------------|
| | | Managers | Professionals | Supervisors | Graduate Training & Development |
| Business Trips | 37,53% | 84,9% | 41,5% | 50,9% | 24,5% |
| Service Commission | 9,85% | 7,5% | 22,6% | 13,2% | 11,3% |
| Expatriation | 33,20% | 49,1% | 39,6% | 34% | 39,6% |
| International Commuting | 1,97% | 17% | 13,2% | 9,4% | 9,4% |
| Virtual Mission | 2,12% | 15,1% | 3,8% | 5,7% | 1,9% |
| Short Term Assignments for Training | 8,89% | 18,9% | 43,4% | 32,1% | 39,6% |

Note: various response rates

Table 11 – Assignments frequency and assignments frequency by professional group

Furthermore, considering nationality as grouping variable, we can observe differences on assignments frequency (see Table 12). Portuguese companies have more service commissions, expatriations, international commuting and virtual missions than international companies. International companies have more business trips and short-term assignments for training and in this case, the difference is significant ($p < 0,001$).

| Variables | Nationality | Descriptive Statistics | | | Test Statistics |
|-------------------------------------|-------------|------------------------|-------|---------|----------------------|
| | | N | Mean | St. Dev | Kolmogorov-Smirnov Z |
| Business Trips | 1,00 | 28 | 35,53 | 36,02 | 0,493 |
| | 2,00 | 19 | 40,47 | 33,03 | |
| Service Commission | 1,00 | 29 | 10,71 | 23,21 | 0,228 |
| | 2,00 | 19 | 9,10 | 21,05 | |
| Expatriation | 1,00 | 29 | 36,46 | 38,01 | 0,578 |
| | 2,00 | 19 | 30,10 | 31,16 | |
| International Commuting | 1,00 | 29 | 2,67 | 6,59 | 0,350 |
| | 2,00 | 19 | 1,05 | 2,67 | |
| Virtual Mission | 1,00 | 29 | 2,35 | 6,44 | 0,228 |
| | 2,00 | 19 | 1,89 | 6,94 | |
| Short Term Assignments for Training | 1,00 | 29 | 3,46 | 9,70 | 2,207 (*) |
| | 2,00 | 19 | 17,36 | 19,61 | |

(a) Grouping variable: Nationality;

(*) Sig. at 0,001

Table 12 - Kolmogorov-Smirnov two sample independent test for assignments frequency

Respondents were also asked about the average duration of each type of assignment as well as the anticipated changes for each assignment in the near future (see Table 13).

For 36 companies (67,9%) business trips are considered to have an average duration of one week, for 23 participating companies (43,4%), expatriation has an average duration of three years, and commuting has a weekly periodicity (for 11,3% of the companies) or bi-weekly (3,8%). Service Commissions are short-term assignments whose length can vary from one month (for four companies – 7,5%) to two years (seven companies – 13,2%).

As with the last two years, all international assignments are expected to increase, especially business trips and virtual missions. Long term assignments and international transfers most likely will keep the trend to a slight decrease, as the companies will benefit from the international experience and the new technologies so as to diminish the number of expatriates and associated costs.

| Type of Assignment | Past Evolution | | | Future Evolution | | |
|-------------------------|----------------|----------|-----------|------------------|----------|-----------|
| | Increase | Decrease | Unchanged | Increase | Decrease | Unchanged |
| Business Trips | 70,7% | 4,9% | 24,4% | 57,9% | 13,2% | 26,3% |
| Service Commission | 42,9% | 33,3% | 9,5% | 47,6% | 19,0% | 19,0% |
| Expatriation | 53,7% | 22,0% | 22,0% | 45,9% | 18,9% | 29,7% |
| International Commuting | 26,7% | 26,7% | 33,3% | 50,0% | 21,4% | 14,3% |
| Virtual Mission | 50,0% | 25,0% | 16,7% | 60,0% | 26,7% | 6,7% |
| International Transfer | 23,5% | 17,6% | 41,2% | 25,0% | 18,8% | 43,8% |

Note: various response rates

Table 13 – Assignments change: past and future evolution

Expatriation Management

Respondents were asked to name the expatriation management activities they perform as well as the departments involved. Data show that both Portuguese and international companies manage expatriation activities mainly through their Human Resources departments, occasionally supported by the Finance and Legal Departments. The main expatriation management activities are referred in Table 14.

| International Assignments Activities | Responsible Department | Frequency | Percent |
|--------------------------------------|----------------------------|-----------|---------|
| Expatriate Payroll | Human Resources Department | 29 | 54,7% |
| | Personnel Department | 9 | 17% |
| | Finance Department | 3 | 5,7% |
| Expatriate Briefings | Human Resources Department | 30 | 56,6% |
| | Personnel Department | 7 | 13,2% |
| | Finance Department | 2 | 3,8% |
| Salary Calculations | Human Resources Department | 25 | 47,2% |
| | Personnel Department | 8 | 15,1% |
| | Finance Department | 4 | 7,5% |
| Liaison with tax advisors | Human Resources Department | 19 | 35,8% |
| | Personnel Department | 6 | 11,3% |
| | Finance Department | 7 | 13,2% |
| Work Permits | Human Resources Department | 26 | 49,1% |
| | Personnel Department | 9 | 13,2% |
| | Finance Department | 2 | 3,8% |

Table 14 – International assignments activities by department

Human Resources Professionals perform expatriate briefings and salary calculations as well as the more traditional personnel tasks as expatriate payroll and obtaining work permits. The majority of companies do not outsource the administration of expatriates to a consultancy company, except for tax support.

In relation to expatriation cost, respondents recognized that their firms have made some efforts to contain them though costs have not been a reason for not using expatriates. Table 15 summarizes the measures of cost reduction.

| Cost reduction measures | Frequency | Percent |
|--------------------------|-----------|---------|
| Compensation | 5 | 9,4% |
| Completion Bonus | 1 | 1,9% |
| Social Security costs | 1 | 1,9% |
| Hardship Allowance | 4 | 7,5% |
| Expenses | 9 | 17% |
| Cost of Living Allowance | 4 | 7,5% |
| Housing | 6 | 11,3% |
| Taxes | 2 | 3,8% |
| Other | 2 | 3,8% |

Note: various response rates

Table 15 – Cost reduction measures

The main actions focus on expenses, housing costs and compensation and do not differ with company nationality. This may indicate an increase attention on those actions from which is easier to achieve savings through a better administration overcoming legal concerns that could occur otherwise.

For 18 companies (34%) the most common contractual basis for international assignments is an addendum to the original employment contract. For 11 companies (20,8%) the most common is a letter of assignment and for another 11 companies (20,8%) the most frequent is a new employment contract with the destination company. 17 firms (32,1%), noted that the contractual form depends on circumstances which may well indicate that companies seek to adapt contracts on an individual basis to minimize assignment costs. There are no differences associated with firm's nationality.

Pre-Assignment - Selection Criteria

Respondents were asked to sign the importance their companies attribute to a list of 26 selection criteria, considering (1) "Not important at all" and (5) "Highly important". This list was formed using the attributes perceived to contribute to expatriates success from the research of Arthur & Bennett (1995), plus six attributes: expatriate work capacity, expatriate educational background, expatriate previous professional experience, expatriate knowledge of the job, expatriate knowledge of the rules and practices of the company and expatriate knowledge of company culture. By descending average, Table 16 summarizes the importance attributed to each selection criteria, by 47 responding companies.

The five most important selection criteria are related with expatriate personal skills as motivation, willingness to change, expatriate flexibility and emotional stability as

well as industriousness. The least relevant are related with the family and professional situation: stable marriage and willingness of the spouse to live abroad and administrative skills, international experience and finally nonjudgmentalness. These findings do not differ with company's nationality.

| Expatriation Selection Criteria | Mean | Std | Variance |
|---|------|-------|----------|
| Assignee motivation | 4,68 | 0,471 | 0,222 |
| Willingness to change | 4,62 | 0,795 | 0,633 |
| Expatriate Flexibility | 4,53 | 0,584 | 0,341 |
| Industriousness | 4,43 | 0,715 | 0,511 |
| Managerial ability | 4,32 | 0,837 | 0,700 |
| Integrity | 4,28 | 0,826 | 0,683 |
| Know the Company/Group practices and procedures | 4,26 | 0,765 | 0,586 |
| Expatriate Emotional stability | 4,19 | 0,900 | 0,810 |
| Openness | 4,19 | 0,770 | 0,593 |
| Experience with the Company/Group Culture | 4,19 | 0,992 | 0,984 |
| Job knowledge | 4,17 | 0,892 | 0,796 |
| Stress Resistance | 4,15 | 0,978 | 0,956 |
| Organizational ability | 4,13 | 0,992 | 0,983 |
| Previous professional experience | 3,98 | 0,897 | 0,804 |
| Knowledge of local language(s) | 3,96 | 1,042 | 1,085 |
| Adaptability of spouse & family | 3,70 | 1,232 | 1,518 |
| Expatriate Education Background | 3,62 | 0,848 | 0,720 |
| Courtesy & tact | 3,60 | 0,876 | 0,768 |
| Empathy | 3,60 | 0,925 | 0,855 |
| Interest in foreign cultures | 3,60 | 1,097 | 1,203 |
| Spouse's positive opinion | 3,34 | 1,256 | 1,577 |
| International experience | 3,34 | 1,089 | 1,186 |
| Administrative skills | 3,19 | 1,191 | 1,418 |
| Nonjudgmentalness | 3,11 | 1,165 | 1,358 |
| Willingness of spouse to live abroad | 2,96 | 1,021 | 1,042 |
| Stable marriage | 2,81 | 1,191 | 1,419 |

Note: response rate = 47

Table 16 – Expatriation selection criteria: average, standard deviation and variance

In relation with the selection methods, the most common is still the familiarity with the potential applicants. Managers made the invitations based on their interpersonal knowledge of potential applicants. They base their decisions mainly on the knowledge of employees previous work experience in the company (44 references – 83%) and on the selection interview (25 references – 47,2%). The knowledge of the destination country and/or company is important for 17 companies (32,1%) and the use of assessment centers is mention only by three firms (5,7%).

Only 15 companies (28,5%) encounter some difficulties in attracting employees for international assignments. The majority (35 companies – 66%) never had such problems. Further, 12 companies (22,6%) stated that employees never turned down an offer of international assignment and 21 companies (39,6%) had it only occasionally. This behavior has been unchanged over the last two years (on the opinion of the majority of the responding companies – 77,8%) and the main motives for assignment refusal are summarized on Table 17. Companies do not differ based on nationality.

The two main reasons for assignment refusal are family concerns and dual career difficulties, which are, in general, “socially acceptable reasons” for refusing an assignment, decreasing the risk of company pressures. It is interesting to note that since family and spouse were the main reasons for assignment refusals, companies persist in overlooking these variables as selection criteria.

| Motives for turning down | Frequency | Percent |
|-----------------------------|-----------|---------|
| Family concerns | 29 | 54,7% |
| Dual Career Problems | 11 | 20,8% |
| Assignment duration | 6 | 11,3% |
| Compensation | 4 | 7,5% |
| Destination Country/Company | 2 | 3,8% |
| Perception of Career Risk | 2 | 3,8% |
| Other | 2 | 3,8% |

Note: various response rates

Table 17 – Main motives for assignment refusal

Pre-Assignment – Visit

The majority of the participating companies (39 firms - 73,6%) provide a pre-assignment visit to the host location. For eight companies (15,1%), this visit is always provided; and for six companies (11,3%) the visit is always provided, including the spouse. For the remaining 16 companies (30,2%), the pre-assignment visit is only applicable before long-term assignments. In other cases (three companies – 5,7%) it may depend on circumstances, which indicate a much more individual negotiation. Three companies (5,8%) refer that pre-assignment visits are provided and limited to one week.

Pre Assignment – Transportation of Personal Goods and Pets

Most companies (33 – 62,3%) have rules regarding the transportation of personal goods to the host country, as summarized in Table 18. Only eight of the surveyed companies answered negatively to this question.

| Transportation of personal goods | Frequency | Percent |
|--|-----------|---------|
| Depends on circumstances | 18 | 34% |
| Only pays transportation costs of personal goods | 10 | 18,9% |
| Reimburses up to the limit of 1 monthly salary | 3 | 5,7% |
| Full cost, without limits | 2 | 3,8% |
| Reimburses up to the limit of: X € | 2 | 3,8% |
| Other | 2 | 3,8% |
| Total | 37 | 69,8% |

Note: various response rates

Table 18 – Rules for transportation of personal goods

The rule for transportation of personal goods depends on circumstances for 18 companies (34%), or the firms pays the transportation costs of personal belongings, as mention by 10 companies (18,9%). Three companies (5,7%) reimburse up to the limit of one monthly salary and the remaining either pays full costs without limits or reimburses costs up to a certain limit. Only seven companies (13,2%) have rules applicable to the transportation of pets. Most refer that depends on circumstances and each situation is seen case by case.

Pre-Assignment – Temporary Expenses

The majority of the surveyed companies (37 companies - 69,8%) provide for some form of temporary accommodation and expenses reimbursement at the destination country.

| Temporary Expenses | Frequency | Percent |
|---|-----------|---------|
| Depends on circumstances | 23 | 43,4% |
| Reimburses temporary expenses up to 1 month after the arrival | 8 | 15,1% |
| Other | 4 | 7,5% |
| Full costs, without limits | 2 | 3,8% |
| Reimburses temporary expenses up to 2 weeks after the arrival | 1 | 1,9% |

Note: various response rates

Table 19 – Rules for temporary expenses

From these, the majority (23 companies – 43,4%) applies rules dependent on circumstances and eight companies reimburse temporary expenses up to one month after the arrival. Two companies support the full costs, without limits, usually until the expatriate and his or her family find a definitive accommodation. Other methods in this case consist in the payment, through the home country, of a relocation allowance, which reimburse all costs including meals, hotels and transportation. Most companies (27 companies – 50,9%) provide the same rules to the relocation from the host to the home country. Companies do not differ based on nationality.

During Assignment Policies

The questionnaire includes, under this section, questions relative to training initiatives, compensation methods, payroll administration, performance appraisal systems, housing and car policies, cost of living and exchange rate practices, home trips and vacations policies and other family support measures as school expenses coverage, special leaves and dual career programs.

During Assignment - Training

More than half of surveyed companies (29 firms – 54,9%) provide expatriates some sort of training before starting an international assignment. Other 15 companies (23,3%) make training available sometimes and only seven companies (13,2%) never supply it.

| Training | Frequency | Percent |
|---|-----------|---------|
| Language Training for assignee alone | 23 | 43,4% |
| Language Training for assignee and spouse | 8 | 15,1% |
| Language Training for assignee and family | 8 | 15,1% |
| Cross-cultural Training for assignee alone | 5 | 9,4% |
| Cross-cultural Training for assignee and spouse | 2 | 3,8% |
| Cross-cultural Training for assignee and family | 4 | 7,5% |
| Technical Training for assignee | 9 | 17,0% |
| Technical Training for assignee and spouse | 0 | 0% |
| Technical Training for assignee and family | 0 | 0% |
| Management Training for assignee | 7 | 13,2% |
| Management Training for assignee and spouse | 0 | 0% |
| Management Training for assignee and family | 0 | 0% |
| Other | 1 | 1,9% |

Note: various response rates

Table 20 – Training before starting an international assignment

As can be seen from Table 20, language training is the most common form of training for assignees and their family members. More than one fourth of the participating companies (43,4%) provide language training only for the assignees although 15,1% already supplies language training for the spouse and another 15,1% grant it to the entire family. When asked about the amount of hours, most companies refer “*as needed*”, without given any other quantitative reference.

The benefits of cross-cultural training are not highly recognized, as is the last form of training used by the surveyed companies. Only five firms (9,4%) grant it to assignees, two companies (3,8%) to assignees and spouses and four companies (7,5%) provide cross-cultural training for assignees and family. The results do not differ with the companies' nationality.

During Assignment - Performance Appraisal and Career Development

Respondents were asked to indicate what describe best their companies' practices along a five-point Likert scale ranging from (1) “*Not applicable*” to (5) “*Totally Applicable*”. Several sentences about performance appraisal and career development practices were include and the main results are summarized in Table 21.

In general, Portuguese companies consider international assignments beneficial career opportunities ($\mu_P = 4,11$) as well as international companies ($\mu_I = 4,50$). Portuguese companies differ significantly from international companies since they do not have a special system to assess expatriates performance, ($\mu_P = 1,71$; $\mu_I = 2,93$) rather they use the same performance appraisal method as the host company ($\mu_P = 3,46$; $\mu_I = 3,36$). International Companies, more than Portuguese firms ($\mu_I = 3,36$; $\mu_P = 2,39$) have an integrated program to manage performance and career development in all companies and subsidiaries and as consequence; respondents disagree when asked if the management development program is only used in the home country ($\mu_P = 2,14$; $\mu_I = 1,74$).

Companies also differ, according to nationality, regarding the existence of a mentoring system. International companies do have in place such a system to support their career development programs, having mentor duties clearly defined, while Portuguese companies do not possess such tool. This is another human resources practice that statistically differentiates these two groups.

Respondents from Portuguese and international companies tend to agree, confirming that in their companies an employee may refuse an international assignment without negative implications for his/her career development ($\mu_P = 3,82$; $\mu_I = 4,00$). The same for a female expatriate who became pregnant whilst on assignment, she may stay in the host country until the end of the expatriate contract, as long as she wanted to ($\mu_P = 3,93$; $\mu_I = 4,14$).

Interestingly is the general recognition that the job done by expatriates in the host company is more complex than the job they had before the assignment at the home company ($\mu_P = 3,93$; $\mu_I = 3,64$). Yet, respondents are not so affirmative regarding the way their companies recognize these career developments. In fact, they confirm that in general, the international assignees have, upon return, a positive development of their careers and social status within the organization, though the means are low ($\mu_P = 3,11$; $\mu_I = 3,07$).

| Variables | Nationality | Descriptive Statistics | | | Test Statistics |
|---|-------------|------------------------|------|---------|----------------------|
| | | N | Mean | St. Dev | Kolmogorov-Smirnov Z |
| If one female expatriate became pregnant whilst on assignment, she would stay in the host country in line with her expatriate contract, as long as she wanted to. | 1,00 | 28 | 3,93 | 1,412 | 0,436 |
| | 2,00 | 14 | 4,14 | 1,027 | |
| The performance appraisal method to evaluate expatriate's performance is similar to host country method. | 1,00 | 28 | 3,46 | 1,598 | 0,436 |
| | 2,00 | 14 | 3,36 | 1,598 | |
| The Company/Group has a special system of performance appraisal to evaluate expatriate's performance. | 1,00 | 28 | 1,71 | 1,049 | 1,418 (*) |
| | 2,00 | 14 | 2,93 | 1,328 | |
| The Company/Group has an integrated program to manage performance and career development in all companies and subsidiaries. | 1,00 | 28 | 2,39 | 1,100 | 0,982 |
| | 2,00 | 14 | 3,36 | 1,277 | |
| At the Company/Group, Top Managers consider international assignments as beneficial career opportunities. | 1,00 | 28 | 4,11 | 0,916 | 0,655 |
| | 2,00 | 14 | 4,50 | 0,650 | |
| The Company/Group has a "mentors" program to support expatriate's career development. | 1,00 | 28 | 1,75 | 1,005 | 1,637 (*) |
| | 2,00 | 14 | 3,07 | 1,207 | |
| The Company/Group has a "mentors" program which defines clearly the mentor duties. | 1,00 | 28 | 1,57 | 0,920 | 1,746 (*) |
| | 2,00 | 14 | 2,86 | 1,099 | |
| In the Company/Group an employee may refuse an international assignment without negative implications for his/her career development | 1,00 | 28 | 3,82 | 1,056 | 0,436 |
| | 2,00 | 14 | 4,00 | 1,038 | |
| In the Company/Group, in general, the job done by expatriates in the host company is more complex than the previous job they had at the home company; | 1,00 | 28 | 3,93 | 1,016 | 0,546 |
| | 2,00 | 14 | 3,64 | 1,008 | |
| In the Company/Group, in general, the international assignees have, upon return, a positive development of their careers and social status within the Organization. | 1,00 | 28 | 3,11 | 0,916 | 0,436 |
| | 2,00 | 14 | 3,07 | 1,072 | |
| In the Company/Group, in general, the job done by expatriates upon return is more simple and less accountTable than the job they had while they were in the international assignment; | 1,00 | 28 | 2,82 | 1,249 | 0,982 |
| | 2,00 | 14 | 2,14 | 0,864 | |
| The management development program is only used in the home country; | 1,00 | 28 | 2,14 | 1,079 | 0,546 |
| | 2,00 | 14 | 1,74 | 1,051 | |

(a) Grouping variable: Nationality

(*) Sig. at 0,05

Table 21 – Performance appraisal and career development practices

*During Assignment – Compensation**Remuneration Methods*

The remuneration methods used for long-term assignment are as follows.

| Remuneration Methods | Frequency | Percent |
|--|-----------|---------|
| Mixture of two or more methods mentioned here; | 19 | 35,8% |
| Host country market rate; | 8 | 15,1% |
| Balance sheet/Build Up /Net income guarantee; | 8 | 15,1% |

| Remuneration Methods | Frequency | Percent |
|--|-----------|---------|
| Home country market rate | 7 | 13,2% |
| Actual remuneration + cost reimburse up to some limits | 5 | 9,4% |
| Other | 3 | 5,7% |
| Expatriate market rate | 1 | 1,9% |

Note. Response rate 51

Table 22 – Remuneration methods

The balance sheet/build up approach, that is the guarantee at the destination of the same net income as in the home country for the same level position, is not the most common method for Portuguese companies or for international firms. A mixture of two or more methods is adopted and companies keep the flexibility to decide, on a case-by-case basis, the best place and currency to pay. Similarly, they adopt different remuneration methods for each assignment modality, especially distinguishing long-term from short-term assignments.

| Place of Payment | Frequency | Percent | Currency of Payment | Frequency | Percent |
|------------------|-----------|---------|---------------------|-----------|---------|
| Host country | 17 | 32,1% | Host country | 11 | 20,8% |
| Mixture | 15 | 28,3% | \$/US Dollars | - | 0% |
| Home country | 14 | 26,4% | Home country | 9 | 17% |
| Total | 46 | 86,8% | Total | 20 | 37,7% |

Table 23 – Place and currency of payment

Sources of Information

In relation to the sources of information companies use to make decisions about remuneration, management decision is certainly the main criteria, followed by equity with host country colleagues, information from specialized companies and the salary before departure (see Table 24). Other sources as equity with home country colleagues and bearing in mind a multiple of the previous salary are less important criteria to decide.

| Sources of information | Frequency | Percent |
|--|-----------|---------|
| Management decision | 24 | 45,3% |
| Expatriates market rate information from specialized companies | 15 | 28,3% |
| Equity with host country colleagues | 15 | 28,3% |
| Salary before departure | 11 | 20,8% |
| Other | 5 | 9,4% |
| Equity with home country colleagues | 3 | 5,7% |
| Multiple of previous salary | 3 | 5,7% |

Note: various response rates

Table 24 – Sources of information to determine expatriate's compensation

Cost of Living and Exchange Rate

Of the participating companies, 23 (43,4%) already incorporate cost of living indices in the calculation of the assignment remuneration packages and 12 (22,6%) incorporate these indices sometimes. Only a minority of companies (17 – 32,1%) does not use them. From those companies that commonly use cost of living indices, 11 companies (20,8%) ignore negative cost of living indices, 10 (18,9%) make a full negative adjustment and only one firm cap the deduction.

Usually firms make an annual review to the cost of living allowance (19 companies – 35,8%), against five firms (9,4%) who keep the cost of living allowance fixed for the entire assignment.

Only 25 companies (38,4%) have rules regarding exchange rates fluctuations and their impact on assignees compensation and from these, 10 (18,1%) consider these rules dependent on circumstances. Companies consider important to revise an exchange rate annually (9,4%) or revise it with the cost of living allowance (9,4%). Companies also adopt other periodicities, as summarized in Table 25.

| Exchange rate revision | Frequency | Percent |
|---|-----------|---------|
| 3 months | 1 | 1,9% |
| 6 months | 2 | 3,8% |
| Annually | 5 | 9,4% |
| Fixed for the entire assignment | 2 | 3,8% |
| Reviewed with the cost of living/goods and services allowance | 5 | 9,4% |
| Total | 15 | 28,3% |

Table 25 – Exchange rate revision

From the participating companies, six (11,3%) accept an exchange rate fluctuation of 10% before revising it, while only one company revises it with fluctuations of 5%. For other five companies (9,4%) the revision depends on circumstances.

Portuguese do not differ from International companies on the way they manage cost of living and exchange rates.

Bonus and Premiums

Bonus award are made nearly by half of the surveyed companies through the grant of performance bonus. Only two companies have a “start-up” bonus or other premiums bonus (three companies). Mission bonuses are referred only by 13 companies (24,5%), which convey a diffuse practice.

| Premiums | Frequency | Percent |
|----------------------|-----------|---------|
| Performance Bonus | 29 | 54,7% |
| Mission Bonus | 13 | 24,5% |
| Incentive Bonus | 6 | 11,6% |
| Other Premiums Bonus | 3 | 5,7% |
| “Start-Up” Bonus | 2 | 3,8% |

Note: various response rates

Table 26 – Expatriate’s compensation: bonus and premiums

Expatriates bonus are not necessarily net of taxes or paid in advance, as the low means from Table 27 indicate. Portuguese and international companies do not differ in the way they manage bonus and premiums.

| Variables | Nationality | Descriptive Statistics | | | Test Statistics |
|--|-------------|------------------------|------|---------|----------------------|
| | | N | Mean | St. Dev | Kolmogorov-Smirnov Z |
| The Company/Group pays expatriates all premiums net of taxes. | 1,00 | 28 | 2,54 | 1,347 | 0,546 |
| | 2,00 | 14 | 2,29 | 1,541 | |
| The Company/Group pays a mission bonus, which depends on the performance during the assignment. No performance, no bonus. | 1,00 | 28 | 2,54 | 1,478 | 0,218 |
| | 2,00 | 14 | 2,57 | 1,399 | |
| The Company/Group pays a mission premium, which is an incentive for the assignment. Part is paid in advance and the remaining upon return. | 1,00 | 28 | 1,71 | 1,117 | 0,655 |
| | 2,00 | 14 | 2,36 | 1,499 | |

(a) Grouping variable: Nationality

Table 27 – Characteristics of bonus and premiums

Taxes and Social Security

Only five companies (9,4%) pay a tax allowance, even if 15 (28,3%) provide tax services usually through a consultancy firm. Table 28 summarizes the main data and differences between Portuguese and International companies.

| Variables | Nationality | Descriptive Statistics | | | Test Statistics |
|---|-------------|------------------------|------|---------|----------------------|
| | | N | Mean | St. Dev | Kolmogorov-Smirnov Z |
| Expatriates administration simplicity is the rule. Tax support is outsourced to a specialized company. | 1,00 | 28 | 2,32 | 1,442 | 0,764 |
| | 2,00 | 14 | 3,00 | 1,569 | |
| Expatriates are autonomous and responsible for their tax situation as well as any related liability both in their home and host countries. | 1,00 | 28 | 3,82 | 1,278 | 0,873 |
| | 2,00 | 14 | 3,21 | 1,626 | |
| The Company/Group applies a tax equalization policy, i.e., the expatriate does not pay more taxes on the destination revenues than he or she would have paid if he or she had received the same income in the home country. | 1,00 | 28 | 3,25 | 1,506 | 0,436 |
| | 2,00 | 14 | 2,93 | 1,685 | |
| The Company/Group keeps expatriates under their home country social security system, whenever possible. | 1,00 | 28 | 4,32 | 0,863 | 0,546 |
| | 2,00 | 14 | 4,07 | 1,269 | |
| The Company/Group pays expatriates wherever is more tax and cost efficient for the company. | 1,00 | 28 | 2,68 | 1,362 | 0,436 |
| | 2,00 | 14 | 2,43 | 1,284 | |
| The Company/Group minimizes the costs related with the social security through social security planning techniques. | 1,00 | 28 | 2,86 | 1,325 | 0,655 |
| | 2,00 | 14 | 3,29 | 0,994 | |

(a) Grouping variable: Nationality

Table 28 – Compensation: taxes and social security

International companies more than Portuguese firms provide tax support ($\mu_P = 2,32$; $\mu_I = 3,00$), although the means are not statistically different. On the other hand, Portuguese firms assume more than International companies that expatriates shall be autonomous and responsible for their tax situation both in home and host countries

($\mu P = 3,82$; $\mu I = 3,21$). Both companies tend to keep expatriates under their home country social security system, whenever possible, although International companies use more social security planning techniques than Portuguese firms.

Costs constrains are not an issue, as both groups of firms tend to discard the idea that their firms pays expatriates wherever is more tax and cost efficient for the companies ($\mu P = 2,68$; $\mu I = 2,43$). Again, means are not statistically different.

Other Remuneration Components

Under this item we include all other components mentioned by respondents. Table 29 summarizes that information.

| Other remuneration components | Frequency | Percent |
|---|-----------|---------|
| Relocation allowance | 34 | 64,2% |
| Private medical services at destination | 27 | 50,9% |
| Repatriation allowance | 19 | 35,8% |
| Expatriation allowance | 13 | 24,5% |
| Corporate Pension Fund | 12 | 22,6% |
| Hardship allowance | 9 | 17% |
| International medical services | 7 | 13,2% |
| Career services | 4 | 7,5% |
| Club's membership | 3 | 5,7% |
| Special Pension Fund | 2 | 3,8% |
| Other allowances | 1 | 1,9% |
| Other benefits | 1 | 1,9% |
| Other services | 1 | 1,9% |

Note: various response rates

Table 29 – Compensation: other remuneration components

The most popular items are the relocation allowance, in use in 34 companies (64,2%) and repatriation allowance in place in 19 companies (35,8%). Half of the surveyed population (27 companies) pays private medical services at destination and seven companies (13,2%) pay international medical services. 13 companies (24,5%) pay an expatriation allowance and 12 (22,6%) have a corporate pension fund inclusive for expatriates. Nine companies (17%) pay hardship allowances for difficult destinations and four companies provide career services to their expatriates. Three companies (3,7%) pay for club's membership and two firms (3,8%) have special pension funds for expatriates. Comprising in the "other" categories are such diverse items as: "ajudas de custo", i.e. expenses reimburse which is a tax efficient way to reimburse costs, free airplane tickets, free furniture, etc.

During Assignment - Housing

Almost all (90,6%) companies provide some assistance relative to housing costs at destination. Only five companies (9,4%) referred not to provide housing at the destination.

| Housing at destination | Frequency | Percent |
|------------------------|-----------|---------|
| Yes | 31 | 58,5% |
| Sometimes | 17 | 32,1% |
| No | 5 | 9,4% |
| Total | 53 | 100% |

Table 30 – Housing at destination: percentage of companies

Companies adopt predominantly two practices: either rent and furnish a house directly – 15 companies (28,3%) prefer this modality, or pay a monthly rent allowance to expatriates – which are preferred by 12 firms (22,6%). The remaining five companies (9,4%) reimburse housing costs up to a maximum monthly amount that depends on locations and family size.

When companies rent and furnish houses directly, they use their local subsidiaries as support to find the best arrangement of quality and cost. Some referred that the expatriates exchange house when they end an assignment and are substituted by another expatriate.

From the participating companies, 21 - 39,6% pay for utilities (water, gas and electricity) on behalf of expatriates in the host location.

During Assignment - Company Car

Most companies (62,3%) provide a company car at the destination or at least have rules that make its attribution dependant to circumstances, usually the expatriate position in the host company (13 companies – 24,5%). Only six companies (11,3%) do not have such rules.

| Company car characteristics | Frequency | Percent |
|--|-----------|---------|
| Company car attributed in line with host country market and local company practices; | 19 | 35,8% |
| Company car attributed in line with home country and company; | 7 | 13,2% |
| Company car attributed whenever possible to prevent its temporary acquisition by expatriates | 4 | 7,5% |
| Other | 3 | 5,7% |
| Total | 33 | 62,3% |

Table 31 – Company car attribution at destination

When a company provides a company car at destination, most companies (35,8%) will follow the host country market and local company practices, even if, for that position the local market would never foresee such a benefit. Others (seven companies – 13,2%) would follow their own home country rules and finally, four companies (7,5%) would grant a company car whenever possible to prevent its temporary acquisition by expatriates.

During Assignment – Home Trips, Vacations and Home Leaves

The majority of the surveyed companies (90,5%) have rules related with home trips, some of which (24,5%) might depend on circumstances. Only three companies (5,7%) do not have such practices. Usually, companies differentiate their methods for single and accompanied assignments. Table 32 summarizes these practices.

For single assignments companies adopt more diversified practices than for accompanied assignments to which is more common to grant one trip a year for the entire family (32,1%). For single assignments, the most common is more than three trips a year (usually one trip a quarter); but many companies refer less liberal practices.

| Assignee alone | Frequency | Percent | Assignee and family | Frequency | Percent |
|-----------------------------------|-----------|---------|-----------------------------------|-----------|---------|
| 1 trip/year | 7 | 13,2% | 1 trip/year | 17 | 32,1% |
| 2 trips/year | 7 | 13,2% | 2 trips/year | 8 | 15,1% |
| 3 trips/year | 4 | 7,5% | 3 trips/year | 1 | 1,9% |
| More than 3 trips/year | 9 | 17,0% | More than 3 trips/year | 2 | 3,8% |
| No home trips paid by the company | 0 | 0% | No home trips paid by the company | 1 | 1,9% |
| Other | 7 | 13,2% | Other | 6 | 11,3% |
| Total | 34 | 64,2% | Total | 35 | 66,0% |

Table 32 – Home trips entitlement for single and accompanied assignments

Travel is mainly in economy class (39,6%) but might depend either on the assignee position (28,3% of the companies) or on travel duration (11,3%). Three companies (5,7%) provide always business class.

Concerning the permission to trade business class tickets for additional economy tickets, at the same cost, 23 of the surveyed companies (43,4%) rejected this practice, while 14 (26,4%) accepted it depending on circumstances. Seven companies (13,2%) accepted this procedure. Similarly, the permission to exchange home leave trips for trips to other destinations, at the same cost, is allowed by five companies (9,4%) and is authorized, depending on circumstances, by 16 companies (30,2%). 24 of the participating companies (45,3%) do not authorize such procedure.

Regarding vacations, the majority of companies follows home country entitlement and does not have rules regarding special or additional home leave for expatriates (52,8%). 18 companies mention that home leaves might depend on circumstances thought do not specify the conditions for that. Most relate these leaves to emergency situations due to personal or family illness.

In relation to the above mention practices, Portuguese and International companies do not differ in the way they manage vacations, home trips and home leaves.

During Assignment - Family Oriented Policies: School Assistance and Dual Careers

Many companies (39,6%) still do not provide any education assistance to expatriate's family or make it dependent to circumstances (22,6%). Only 18 companies (34%) have rules related with the payment or reimbursement of school expenses of expatriate's dependent child. These companies include live-in partners children and many companies (20,8%) reimburse for education costs from nursery to university. 17% of the firms exclude university costs. Spouses are not included, except in the dual career programs. In this case, only eight companies (15,1%) have rules either written or unwritten to address this issue and 13 firms (24,5%) mention that it depends on circumstances. These initiatives include: job-finding assistance (5,7%), job in the same company (5,7%) and finance compensation for income lost (either in full or in part) (3,8%).

Furthermore, Portuguese companies do not differ from international companies on the way they manage their family oriented policies, except for dual career policy.

Post Assignment Policies

Respondents were asked to describe their companies' policies regarding repatriation, as well as their opinion about unsuccessful assignments.

Repatriation

Over one third of the surveyed companies (18 companies – 34%) recognize that there is not much repatriation preparation and 20,8% start repatriation three months before the move. Others start preparation within the last six months (11 companies – 20,8%). Although Portuguese companies start preparing repatriation closer to the move than international companies, the mean difference is not statistically significant.

When asked about the usual percentage of expatriates repatriated before the end of the contract for assignment failure or who left the company within the two years after returning from an assignment, the percentages are generally low, as presented in Table 33.

| Unsuccessful international assignments | Mean | St. Dev. |
|---|-------------|-----------------|
| Percentage of expatriates repatriated before the end of contract for assignments failure. | 4,567 | 9,719 |
| Percentage of expatriates having a performance below expectations due to adjustment difficulties. | 4,967 | 13,902 |
| Percentage of expatriates who do not wish to go on an international assignment again. | 10,345 | 25,222 |
| Percentage of expatriates who have resigned from the company, to work in another place, within the 2 years after being repatriated. | 1,069 | 4,087 |
| Percentage of expatriates who intend to resign the company after the international assignment. | 0,726 | 2,575 |

Table 33 – Percentages of unsuccessful international assignments

Less than 5% of all expatriates have been repatriated before the end of contract for assignment failure or performance below expectations and only 1% had resign to work for another company within the two years after return. The percentage of those of admit to resign is lower than 1%. However, the percentage of expatriates who do not wish to go again on an international assignment is 10,3%, which may indicate some minor resistance to international work.

When respondents were asked to provide their opinions about some company repatriation practices, some distinctive trends come up between Portuguese and international companies, although the mean differences are not statistically significant (see Table 34).

Both group companies grant for emergency repatriation in case of serious illness and both recognize that returns do not always occur on time. However, international companies more than Portuguese firms provide clear information about the position to be done upon return, while Portuguese companies still promises more for a position upon return to all expatriates. That is perhaps the reason why Portuguese respondents agree more than the others with the suggestion that in their companies there is no resistance to repatriation to home country. Finally, Portuguese companies

more than international firms are beginning to exhibit difficulties in repatriating their expatriates due to headcount reductions.

| Variables | Nationality | Descriptive Statistics | | | Test Statistics Kolmogorov- Smirnov Z |
|---|-------------|------------------------|---------|---------|---|
| | | N | Average | St. Dev | |
| The Company/Group provides emergency repatriation in case of serious illness; | 1,00 | 28 | 4,75 | 1,206 | 0,549 |
| | 2,00 | 14 | 4,50 | 0,760 | |
| The Company/Group promises a position upon return to all expatriates; | 1,00 | 28 | 4,07 | 0,979 | 0,436 |
| | 2,00 | 14 | 3,79 | 1,122 | |
| In the Company/Group there is no resistance to repatriation to home country; | 1,00 | 28 | 3,61 | 0,875 | 0,873 |
| | 2,00 | 14 | 3,00 | 1,038 | |
| The Company/Group provides clear information about the position to be done upon return (repatriation training); | 1,00 | 28 | 3,04 | 0,881 | 0,982 |
| | 2,00 | 14 | 3,71 | 0,914 | |
| In the Company/Group, returns do not always occur on time. Often they are postponed or anticipated by company decision with the assignee agreement; | 1,00 | 28 | 4,21 | 0,728 | 0,762 |
| | 2,00 | 14 | 3,57 | 1,016 | |
| In the Company/Group the offer of functions to expatriates returning from international assignments has been negatively affected by headcount reductions; | 1,00 | 28 | 3,07 | 1,438 | 0,655 |
| | 2,00 | 14 | 2,71 | 1,437 | |

(a) Grouping variable: Nationality

Table 34 – Repatriation practices for Portuguese and International Companies

Even if these repatriation practices are distinctive, it is important to note that the mean differences are not statistically significant.

International Transfers

Respondents were asked to mention if in their companies have ever occurred international transfers, i.e., definitive relocations to the host country, and what were the reasons. The majority of the surveyed companies (64,2%) had already had international transfers, most of them motivated by expatriates own wishes (50,9%) or the absence of another available position (13,2%). There are no mean differences statistically significant between Portuguese and international companies.

Adjustment

With respect to the time to adjust, 43,4% of the surveyed companies believe that it is totally variable, 24,5% trust it take three to six months and 18,9% think it take less than three months. Finally, 11,3% believe it take six months to one year to be totally adjusted to a host location.

In relation to the characteristics that easy the adjustment, respondents' answers to a final open question reveal that males, qualified, with a stable marriage and young children, knowledgeable of their jobs and companies and highly motivated for an international experience are the best suited.

5.3. Internationalization Stage and International Assignment Policies and Practices – Test of Hypothesis

The second study objective was to appraise the different hypothesis related with the internationalization process and its impact on Portuguese firm's international assignment policies and practices. It was hypothesized that international assignment policies and practices relative to the international assignment cycle – from selection to repatriation - are positively related with the internationalization stage, regardless of the company country of origin.

To measure the internationalization stage, a single item was used, based on the literature review (Harzing, 2000; Black et al., 1999), using a five-point descriptive scale whereas: (0) Other, (1) Export company, (2) National company starting internationalization, (3) Multidomestic company, (4) Global, (5) Transnational.

Hypothesis 1a to 1e asserted a positive correlation between the internationalization stage and the international assignment policies and practices, ranging from selection to repatriation, regardless of firm's country of origin. In testing these hypotheses, only non-parametric correlation analysis was used (see Appendix 3 for details).

Selection

There are no correlations between selection methods and internationalization stage or significant relationship between the degree of internationalization and the selection criteria adopted by firms, as summarized in Table 35. Therefore hypothesis 1a is not supported by data.

Training

Hypothesis 1b is partially supported by data since training policy, that is whether companies provide training before starting an international assignment, is significantly correlated with a firm internationalization stage.

Correlations^a

| | | | INTERNATIONAL STAGE | Training before starting an assignment |
|----------------|--|-------------------------|---------------------|--|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,309* |
| | | Sig. (2-tailed) | . | ,033 |
| | Training before starting an assignment | Correlation Coefficient | ,309* | 1,000 |
| | | Sig. (2-tailed) | ,033 | . |

*. Correlation is significant at the 0.05 level (2-tailed).

a. Listwise N = 48

Table 36 – Spearman's rho correlations for the variable training policy
Hypothesis 1b receives partial support in that training policy is significantly related with the company internationalization stage as also with the company's nationality (see Table 37)

Partial Correlations

| Control Variables | | | Training before starting an assignment | INTERNATIONAL STAGE |
|---------------------|--|-------------------------|--|---------------------|
| Nationality | Training before starting an assignment | Correlation | 1,000 | ,265 |
| | | Significance (2-tailed) | . | ,072 |
| | | df | 0 | 45 |
| INTERNATIONAL STAGE | INTERNATIONAL STAGE | Correlation | ,265 | 1,000 |
| | | Significance (2-tailed) | ,072 | . |
| | | df | 45 | 0 |

Table 37 – Partial correlations for the variables companies' training policy and internationalization stage, controlled by nationality

Moreover, these measures – firm's internationalization stage and nationality - are significantly related (see Table 38) which means that 12,6% of the variance of the variable internationalization stage is explained by the firm country of origin, which might explain some of the following findings.

Correlations^a

| | | | INTERNATIONAL STAGE | Nationality |
|----------------|---------------------|-------------------------|---------------------|-------------|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,355* |
| | | Sig. (2-tailed) | . | ,011 |
| | Nationality | Correlation Coefficient | ,355* | 1,000 |
| | | Sig. (2-tailed) | ,011 | . |

*. Correlation is significant at the 0.05 level (2-tailed).

a. Listwise N = 50

Table 38 – Spearman's rho correlations for the variables company's internationalization stage and nationality

Appraising

Hypothesis 1c refers to the positive correlation between international assignment policies and practices relative to appraising and companies stage of internationalization. The more evolved the stage of internationalization the more advanced the appraising policies and practices of the company, regardless of its country of origin.

In this study, this hypothesis is not supported since no significant correlation is achieved, though all variables are positively correlated with the stage of internationalization.

Correlations

| | | | INTERNATI ONAL STAGE | Integrated program of performance & career development | Mentors programs | The mentors program defines the mentor duties | Special system to evaluate expatriate performance | Expatriates performance appraisal method similar to host country |
|----------------|--|-------------------------|----------------------------|--|---------------------|--|--|---|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,159 | ,239 | ,276 | ,266 | ,133 |
| | | Sig. (2-tailed) | . | ,280 | ,101 | ,058 | ,071 | ,372 |
| | | N | 50 | 48 | 48 | 48 | 47 | 47 |
| | Integrated program of performance & career development | Correlation Coefficient | ,159 | 1,000 | ,759** | ,700** | ,233 | ,360* |
| | | Sig. (2-tailed) | ,280 | . | ,000 | ,000 | ,106 | ,010 |
| | | N | 48 | 51 | 50 | 50 | 49 | 50 |
| | Mentors programs | Correlation Coefficient | ,239 | ,759** | 1,000 | ,915** | ,392** | ,250 |
| | | Sig. (2-tailed) | ,101 | ,000 | . | ,000 | ,005 | ,080 |
| | | N | 48 | 50 | 51 | 51 | 50 | 50 |
| | The mentors program defines the mentor duties | Correlation Coefficient | ,276 | ,700** | ,915** | 1,000 | ,486** | ,262 |
| | | Sig. (2-tailed) | ,058 | ,000 | ,000 | . | ,000 | ,066 |
| | | N | 48 | 50 | 51 | 51 | 50 | 50 |
| | Special system to evaluate expatriate performance | Correlation Coefficient | ,266 | ,233 | ,392** | ,486** | 1,000 | ,112 |
| | | Sig. (2-tailed) | ,071 | ,106 | ,005 | ,000 | . | ,444 |
| | | N | 47 | 49 | 50 | 50 | 50 | 49 |
| | Expatriates performance appraisal method similar to host country | Correlation Coefficient | ,133 | ,360* | ,250 | ,262 | ,112 | 1,000 |
| | | Sig. (2-tailed) | ,372 | ,010 | ,080 | ,066 | ,444 | . |
| | | N | 47 | 50 | 50 | 50 | 49 | 50 |

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Table 39 – Spearman's rho correlations for the variables company's internationalization stage and appraising policy and practices

Rewarding: housing, cost of living, home trips and dual careers programs

A positive association between a company stage of internationalization and its international assignment policies and practices relative to rewarding is assumed in hypothesis 1d. It receives partial support since some rewarding practices are significantly correlated with companies' internationalization stage, as summarized on Tables 40 to 42.

Housing

Interestingly all companies provide for accommodation or related costs at the destination country and therefore the decision to grant this benefit is not significantly related with the internationalization stage of the firm. However, the procedures adopted may vary significantly depending on the company stage of internationalization and this is true regardless of the company country of origin. Apparently as more internationalized is a company more frequently it tends to reimburse for rent cost up to a maximum monthly amount instead of adopting other practices or procedures. Moreover, this positive correlation persists regardless of companies' country of origin (see Table 41).

Correlations

| | | | INTERNATIO NAL STAGE | Housing rules at the destination | Housing procedures |
|----------------|-------------------------|-------------------------|-------------------------|--|-----------------------|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,038 | ,518** |
| | | Sig. (2-tailed) | . | ,795 | ,002 |
| | | N | 50 | 50 | 32 |
| | Housing Policy (Yes/No) | Correlation Coefficient | ,038 | 1,000 | -,137 |
| | | Sig. (2-tailed) | ,795 | . | ,447 |
| | | N | 50 | 53 | 33 |
| | Housing Procedures | Correlation Coefficient | ,518** | -,137 | 1,000 |
| | | Sig. (2-tailed) | ,002 | ,447 | . |
| | | N | 32 | 33 | 33 |

** . Correlation is significant at the 0.01 level (2-tailed).

Table 40 – Spearman's rho correlations for the variables company's internationalization stage and Housing policy and practices

Partial Correlations

| Control Variables | | | INTERNATIO NAL STAGE | Housing Policy | Housing Procedures |
|-------------------|-------------------------|-------------------------|-------------------------|-------------------|-----------------------|
| Nationality | INTERNATIONAL STAGE | Correlation | 1,000 | ,266 | ,373 |
| | | Significance (2-tailed) | . | ,148 | ,039 |
| | | df | 0 | 29 | 29 |
| | Housing Policy (Yes/No) | Correlation | ,266 | 1,000 | -,110 |
| | | Significance (2-tailed) | ,148 | . | ,557 |
| | | df | 29 | 0 | 29 |
| | Housing Procedures | Correlation | ,373 | -,110 | 1,000 |
| | | Significance (2-tailed) | ,039 | ,557 | . |
| | | df | 29 | 29 | 0 |

Table 41 – Partial correlations for the variables company's internationalization stage and housing policy and practices, controlling for nationality

Cost of Living

Table 42 shows a significant correlation between a company stage of internationalization and the policy of using cost of living index in determining the expatriate's compensation package.

Correlations

| | | | INTERNATIO NAL STAGE | COLA Policy | COLA lower than home country | COLA reviews |
|----------------|---------------------------------|-------------------------|-------------------------|----------------|------------------------------------|-----------------|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,320* | ,204 | ,336 |
| | | Sig. (2-tailed) | . | ,025 | ,351 | ,101 |
| | | N | 50 | 49 | 23 | 25 |
| | COLA Policy | Correlation Coefficient | ,320* | 1,000 | ,336 | ,305 |
| | | Sig. (2-tailed) | ,025 | . | ,117 | ,138 |
| | | N | 49 | 52 | 23 | 25 |
| | COLA lower than home country | Correlation Coefficient | ,204 | ,336 | 1,000 | ,398 |
| | | Sig. (2-tailed) | ,351 | ,117 | . | ,066 |
| | | N | 23 | 23 | 23 | 22 |
| | COLA reviews | Correlation Coefficient | ,336 | ,305 | ,398 | 1,000 |
| | | Sig. (2-tailed) | ,101 | ,138 | ,066 | . |
| | | N | 25 | 25 | 22 | 25 |

* . Correlation is significant at the 0.05 level (2-tailed).

Table 42 – Spearman's rho correlations for the variables company's internationalization stage and cost of living policy and practices

Apparently, the more internationalized a firm becomes, the more it tends to consider cost of living indexes while composing its expatriate's compensation packages. No significant differences are obtained on cost of living revisions or cost of living negative adjustments related with the stage of internationalization.

However, this positive correlation is not independent from firm's nationality, as shown in Table 43.

Correlations

| Control Variables | | | INTERNATIONAL STAGE | COLA Policy | COLA lower than home country | COLA reviews |
|------------------------------|------------------------------|-------------------------|---------------------|-------------|------------------------------|--------------|
| Nationality | INTERNATIONAL STAGE | Correlation | 1,000 | ,151 | ,035 | ,294 |
| | | Significance (2-tailed) | . | ,514 | ,881 | ,195 |
| | | df | 0 | 19 | 19 | 19 |
| COLA Policy | COLA Policy | Correlation | ,151 | 1,000 | ,311 | ,488 |
| | | Significance (2-tailed) | ,514 | . | ,169 | ,025 |
| | | df | 19 | 0 | 19 | 19 |
| COLA lower than home country | COLA lower than home country | Correlation | ,035 | ,311 | 1,000 | ,415 |
| | | Significance (2-tailed) | ,881 | ,169 | . | ,061 |
| | | df | 19 | 19 | 0 | 19 |
| COLA reviews | COLA reviews | Correlation | ,294 | ,488 | ,415 | 1,000 |
| | | Significance (2-tailed) | ,195 | ,025 | ,061 | . |
| | | df | 19 | 19 | 19 | 0 |

Table 43 – Partial correlations for the variables company's internationalization stage and cost of living policy and practices, controlling for nationality

Home Trips

Unexpectedly, home trips to assignees alone are negatively correlated with the company stage of internationalization as shown on Table 44, although this is not independent from the nationality (see Table 45).

Correlations

| | | | INTERNATIONAL STAGE | Home Trips policy | Home trips for assignees alone | Home trips for assignees and family |
|-------------------------------------|-------------------------------------|-------------------------|---------------------|-------------------|--------------------------------|-------------------------------------|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,275 | -,419* | -,294 |
| | | Sig. (2-tailed) | . | ,058 | ,015 | ,091 |
| | | N | 50 | 48 | 33 | 34 |
| Home Trips Policy | Home Trips Policy | Correlation Coefficient | ,275 | 1,000 | -,129 | -,219 |
| | | Sig. (2-tailed) | ,058 | . | ,474 | ,214 |
| | | N | 48 | 51 | 33 | 34 |
| Home trips for assignees alone | Home trips for assignees alone | Correlation Coefficient | -,419* | -,129 | 1,000 | ,566** |
| | | Sig. (2-tailed) | ,015 | ,474 | . | ,002 |
| | | N | 33 | 33 | 34 | 28 |
| Home trips for assignees and family | Home trips for assignees and family | Correlation Coefficient | -,294 | -,219 | ,566** | 1,000 |
| | | Sig. (2-tailed) | ,091 | ,214 | ,002 | . |
| | | N | 34 | 34 | 28 | 35 |

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Table 44 – Spearman's rho correlations for the variables company's internationalization stage and home trips policy and practices

More internationalized companies are less likely to provide more than one home trip a year to assignees alone, which might be related with the fact that in these companies assignments might be long and expatriates do not live alone.

Correlations

| Control Variables | | | INTERNATIONAL STAGE | Home Trips Policy | Home trips for assignees alone | Home trips for assignees and family |
|-------------------|-------------------------------------|-------------------------|---------------------|-------------------|--------------------------------|-------------------------------------|
| Nationality | INTERNATIONAL STAGE | Correlation | 1,000 | ,256 | -,381 | -,344 |
| | | Significance (2-tailed) | . | ,207 | ,055 | ,085 |
| | | df | 0 | 24 | 24 | 24 |
| | Home Trips Policy | Correlation | ,256 | 1,000 | -,386 | -,450 |
| | | Significance (2-tailed) | ,207 | . | ,052 | ,021 |
| | | df | 24 | 0 | 24 | 24 |
| | Home trips for assignees alone | Correlation | -,381 | -,386 | 1,000 | ,664 |
| | | Significance (2-tailed) | ,055 | ,052 | . | ,000 |
| | | df | 24 | 24 | 0 | 24 |
| | Home trips for assignees and family | Correlation | -,344 | -,450 | ,664 | 1,000 |
| | | Significance (2-tailed) | ,085 | ,021 | ,000 | . |
| | | df | 24 | 24 | 24 | 0 |

Table 45 -- Partial correlations for the variables company's internationalization stage and home trips policy and practices, controlling for nationality

Dual careers

In this study, whether a company has a dual careers policy has a positive and significant correlation with the company stage of internationalization (see Table 46), but this is not independent from nationality (see Table 47).

Correlations

| | | | INTERNATIONAL STAGE | Dual Careers Policy | Dual Career Programs |
|----------------|----------------------|-------------------------|---------------------|---------------------|----------------------|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,319* | ,095 |
| | | Sig. (2-tailed) | . | ,029 | ,808 |
| | | N | 50 | 47 | 9 |
| | Dual Careers Policy | Correlation Coefficient | ,319* | 1,000 | -,356 |
| | | Sig. (2-tailed) | ,029 | . | ,347 |
| | | N | 47 | 49 | 9 |
| | Dual Career Programs | Correlation Coefficient | ,095 | -,356 | 1,000 |
| | | Sig. (2-tailed) | ,808 | ,347 | . |
| | | N | 9 | 9 | 9 |

*. Correlation is significant at the 0.05 level (2-tailed).

Table 46 -- Spearman's rho correlations for the variables company's internationalization stage and dual careers policy and practices

Correlations

| Control Variables | | | INTERNATIONAL STAGE | Dual Careers Policy | Dual Career Programs |
|-------------------|----------------------|-------------------------|---------------------|---------------------|----------------------|
| Nationality | INTERNATIONAL STAGE | Correlation | 1,000 | -,145 | -,505 |
| | | Significance (2-tailed) | . | ,731 | ,201 |
| | | df | 0 | 6 | 6 |
| | Dual Careers Policy | Correlation | -,145 | 1,000 | -,118 |
| | | Significance (2-tailed) | ,731 | . | ,780 |
| | | df | 6 | 0 | 6 |
| | Dual Career Programs | Correlation | -,505 | -,118 | 1,000 |
| | | Significance (2-tailed) | ,201 | ,780 | . |
| | | df | 6 | 6 | 0 |

Table 47 -- Partial correlations for the variables company's internationalization stage and dual careers policy and practices, controlling for nationality

Repatriation

Hypothesis 1e suggests that international assignments policies and practices related with repatriation will be positively related with the stage of internationalization, despite of the company nationality. This hypothesis is not supported by data as is shown in Table 48.

Correlations^a

| | | INTERNATIONAL STAGE | Emergency repatriation in case of serious illness | Promises a position upon return | Job done upon return is more simple and less accountable | Expatriates, in general, have a positive development of their careers and social status | No resistance to repatriation to home country | Company provides clear information about the repatriation position | Repatriation not always occur on time. Anticipation and postponements are agree | The offer of a position to expatriates has been negatively affected by headcount reductions |
|---|---|-------------------------|---|---------------------------------|--|---|---|--|---|---|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | -.220 | -.256 | -.249 | .072 | -.066 | .029 | .036 |
| | | Sig. (2-tailed) | | .138 | .083 | .092 | .632 | .661 | .844 | .812 |
| | Emergency repatriation in case of serious illness | Correlation Coefficient | -.220 | 1,000 | .242 | .063 | .060 | .419** | .204 | .291* |
| | | Sig. (2-tailed) | .138 | | .101 | .672 | .690 | .003 | .169 | .047 |
| | Promises a position upon return | Correlation Coefficient | -.256 | .242 | 1,000 | .257 | -.120 | .070 | .064 | .284 |
| | | Sig. (2-tailed) | .083 | .101 | | .081 | .423 | .638 | .667 | .053 |
| | Job done upon return is more simple and less accountable | Correlation Coefficient | -.249 | .063 | .257 | 1,000 | .016 | -.294* | -.383** | .197 |
| | | Sig. (2-tailed) | .092 | .672 | .081 | | .913 | .045 | .008 | .186 |
| | Expatriates, in general, have a positive development of their careers and social status | Correlation Coefficient | .072 | .060 | -.120 | .016 | 1,000 | .177 | .223 | .312* |
| | | Sig. (2-tailed) | .632 | .690 | .423 | .913 | | .233 | .133 | .033 |
| No resistance to repatriation to home country | Correlation Coefficient | -.066 | .419** | .070 | -.294* | .177 | 1,000 | .413** | .098 | |
| | Sig. (2-tailed) | .661 | .003 | .638 | .045 | .233 | | .004 | .512 | |
| Company provides clear information about the repatriation position | Correlation Coefficient | .029 | .204 | .064 | -.383** | .223 | .413** | 1,000 | .050 | |
| | Sig. (2-tailed) | .844 | .169 | .667 | .008 | .133 | .004 | | .736 | |
| Repatriation not always occur on time. Anticipation and postponements are agree | Correlation Coefficient | .036 | .291* | .284 | .197 | .312* | .098 | .050 | 1,000 | |
| | Sig. (2-tailed) | .812 | .047 | .053 | .186 | .033 | .512 | .736 | | |
| The offer of a position to expatriates has been negatively affected by headcount reductions | Correlation Coefficient | .183 | .130 | .100 | .285 | .146 | -.215 | -.363* | .398** | |
| | Sig. (2-tailed) | .217 | .384 | .504 | .052 | .326 | .146 | .012 | .006 | |

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

^a Listwise N = 47

Table 48 – Spearman's rho correlations for the variables company's internationalization stage and repatriation practices

International Assignments

Hypothesis 2a to 2c refer to the relationship between stage of internationalization and the international assignments most frequently adopted by companies.

Hypothesis 2a assumes that short-term assignments such as service commissions will be negatively related with the company stage of internationalization, regardless of its nationality. This hypothesis is partially supported by data as is shown in Table 49, since the correlation is negative, as expected, but not significant.

Additionally, hypothesis 2b is not supported by data, since there is a positive although not significant correlation between the use of commuting and the stage of internationalization.

Hypothesis 2c is also not confirmed by data since the correlation between the stage of internationalization and the use of expatriation is low and not statistically significant.

Unexpectedly, the use of short-term assignments for training is significantly correlated with the company stage of internationalization, which is not independent of company nationality.

| | | | Correlations ^a | | | | | | |
|---|--|-------------------------|---------------------------|--|--|--|---|-------------------------------------|---|
| | | | INTERNATIONAL STAGE | Assignments frequencies - Business Tryps | Assignments frequencies - Service Commission | Assignments frequencies - Expatriation | Assignments frequencies - Short Term Assignments for Training | Assignments frequencies - Commuting | Assignments frequencies - Virtual Mission |
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | ,007 | -.151 | ,218 | ,313* | ,168 | -.060 |
| | | Sig. (2-tailed) | | ,965 | ,326 | ,154 | ,039 | ,276 | ,701 |
| | Assignments frequencies - Business Tryps | Correlation Coefficient | ,007 | 1,000 | ,119 | -.646** | ,002 | -.046 | -.100 |
| | | Sig. (2-tailed) | ,965 | | ,442 | ,000 | ,991 | ,766 | ,520 |
| | Assignments frequencies - Service Commission | Correlation Coefficient | -.151 | ,119 | 1,000 | -.328* | -.034 | -.143 | -.130 |
| | | Sig. (2-tailed) | ,326 | ,442 | | ,030 | ,825 | ,353 | ,402 |
| | Assignments frequencies - Expatriation | Correlation Coefficient | ,218 | -.646** | -.328* | 1,000 | -.101 | ,059 | ,026 |
| | | Sig. (2-tailed) | ,154 | ,000 | ,030 | | ,515 | ,706 | ,865 |
| Assignments frequencies - Short Term Assignments for Training | Correlation Coefficient | ,313* | ,002 | -.034 | -.101 | 1,000 | -.140 | -.070 | |
| | Sig. (2-tailed) | ,039 | ,991 | ,825 | ,515 | | ,365 | ,650 | |
| Assignments frequencies - Commuting | Correlation Coefficient | ,168 | -.046 | -.143 | ,059 | -.140 | 1,000 | ,427** | |
| | Sig. (2-tailed) | ,276 | ,766 | ,353 | ,706 | ,365 | | ,004 | |
| Assignments frequencies - Virtual Mission | Correlation Coefficient | -.060 | -.100 | -.130 | ,026 | -.070 | ,427** | 1,000 | |
| | Sig. (2-tailed) | ,701 | ,520 | ,402 | ,865 | ,650 | ,004 | | |

*. Correlation is significant at the 0.05 level (2-tailed).

** . Correlation is significant at the 0.01 level (2-tailed).

a. Listwise N = 44

Table 49 – Spearman's rho correlations for the variables company's internationalization stage and international assignments frequencies.

| | | | Correlations | | | | | | |
|---|--|-------------------------|---------------------|--|--|--|---|-------------------------------------|---|
| | | | INTERNATIONAL STAGE | Assignments frequencies - Business Tryps | Assignments frequencies - Service Commission | Assignments frequencies - Expatriation | Assignments frequencies - Short Term Assignments for Training | Assignments frequencies - Commuting | Assignments frequencies - Virtual Mission |
| Control Variables | | | | | | | | | |
| Nationality | INTERNATIONAL STAGE | Correlation | 1,000 | -.033 | -.208 | ,128 | ,049 | ,213 | -.039 |
| | | Significance (2-tailed) | | ,834 | ,180 | ,415 | ,753 | ,171 | ,805 |
| | | df | 0 | 41 | 41 | 41 | 41 | 41 | 41 |
| | Assignments frequencies - Business Tryps | Correlation | -.033 | 1,000 | -.211 | -.650 | -.058 | -.152 | -.081 |
| | | Significance (2-tailed) | ,834 | | ,175 | ,000 | ,712 | ,331 | ,607 |
| | | df | 41 | 0 | 41 | 41 | 41 | 41 | 41 |
| | Assignments frequencies - Service Commission | Correlation | -.208 | -.211 | 1,000 | -.236 | -.182 | -.169 | -.163 |
| | | Significance (2-tailed) | ,180 | ,175 | | ,128 | ,242 | ,278 | ,296 |
| | df | 41 | 41 | 0 | 41 | 41 | 41 | 41 | |
| Assignments frequencies - Expatriation | Correlation | ,128 | -.650 | -.236 | 1,000 | -.087 | ,008 | -.081 | |
| | Significance (2-tailed) | ,415 | ,000 | ,128 | | ,577 | ,957 | ,606 | |
| | df | 41 | 41 | 41 | 0 | 41 | 41 | 41 | |
| Assignments frequencies - Short Term Assignments for Training | Correlation | ,049 | -.058 | -.182 | -.087 | 1,000 | -.146 | -.113 | |
| | Significance (2-tailed) | ,753 | ,712 | ,242 | ,577 | | ,350 | ,470 | |
| | df | 41 | 41 | 41 | 41 | 0 | 41 | 41 | |
| Assignments frequencies - Commuting | Correlation | ,213 | -.152 | -.169 | ,008 | -.146 | 1,000 | ,228 | |
| | Significance (2-tailed) | ,171 | ,331 | ,278 | ,957 | ,350 | | ,141 | |
| | df | 41 | 41 | 41 | 41 | 41 | 0 | 41 | |
| Assignments frequencies - Virtual Mission | Correlation | -.039 | -.081 | -.163 | -.081 | -.113 | ,228 | 1,000 | |
| | Significance (2-tailed) | ,805 | ,607 | ,296 | ,606 | ,470 | ,141 | | |
| | df | 41 | 41 | 41 | 41 | 41 | 41 | 0 | |

Table 50 – Partial correlations for the variables: companies' internationalization stage and international assignments frequencies, controlling for nationality.

International Assignments Cycle and Knowledge Transfer

Hypothesis 3 assumes that if companies use international assignments as a knowledge transfer mechanism, then the possession of that knowledge would be the primary selection criteria.

Table 51 shows mean differences between Portuguese and international companies on two variables assessed on a five-Likert scale ranging from: (1) "Not applicable" to (5) "Totally applicable". As shown, international companies more than Portuguese firms consider international assignments fundamental for transferring

knowledge and this difference is statistically significant ($p < 0,01$). However, it is not significantly related with firms' stage of internationalization.

| Variables | Nationality | Descriptive Statistics | | | Test Statistics |
|---|-------------|------------------------|---------|---------|----------------------|
| | | N | Average | St. Dev | Kolmogorov-Smirnov Z |
| International assignments are fundamental for transferring knowledge; | 1,00 | 50 | 3,87 | 1,147 | 1,716* |
| | 2,00 | 50 | 4,05 | 0,911 | |
| International assignments are fundamental for exerting control. | 1,00 | 50 | 3,87 | 0,991 | 1,250 |
| | 2,00 | 50 | 2,63 | 0,955 | |

(a) Grouping variable: Nationality

(*) Sig. 0,01

Table 51 – Mean differences for assignments knowledge transfer and control

To identify the most important selection criteria a factor analysis with a varimax (orthogonal) rotation was used to extract the selection factors from the list of 26 selection attributes rated. The factor analysis suggests a seven-factor solution as exhibited on Table 52.

| Selection Criteria | Factors | | | | | | |
|--|--------------|--------------|-------------|-------------|-------------|-------------|-------------|
| | I | II | III | IV | V | VI | VII |
| Empathy | <u>0,87</u> | 0,30 | 0,44 | 0,32 | 0,08 | 0,36 | 0,14 |
| Courtesy & tact | <u>0,87</u> | 0,37 | 0,25 | 0,40 | 0,18 | 0,36 | -0,11 |
| Stress resistance | <u>0,84</u> | 0,32 | 0,47 | 0,27 | 0,33 | 0,39 | 0,26 |
| Nonjudgmentalness | <u>0,76</u> | 0,31 | 0,15 | 0,30 | 0,36 | 0,25 | -0,01 |
| Expatriate emotional stability | <u>0,60</u> | 0,46 | 0,27 | 0,23 | -0,07 | 0,35 | 0,34 |
| Adaptability of spouse & family | 0,35 | <u>0,92</u> | 0,10 | 0,10 | 0,07 | 0,07 | -0,07 |
| Spouse's positive opinion | 0,40 | <u>0,89</u> | -0,04 | 0,37 | 0,11 | 0,12 | -0,16 |
| Willingness of spouse to live abroad | 0,29 | <u>0,76</u> | 0,33 | -0,05 | 0,07 | 0,28 | -0,06 |
| Stable marriage | 0,38 | <u>0,73</u> | 0,32 | 0,15 | -0,11 | 0,06 | -0,01 |
| Managerial ability* | 0,62 | 0,07 | <u>0,85</u> | 0,30 | 0,36 | 0,43 | 0,37 |
| International experience | 0,20 | 0,03 | 0,77 | 0,36 | 0,21 | 0,20 | 0,03 |
| Administrative skills | 0,33 | 0,30 | <u>0,76</u> | 0,24 | 0,25 | 0,22 | 0,22 |
| Openness | 0,14 | 0,02 | 0,39 | <u>0,77</u> | 0,17 | 0,37 | 0,16 |
| Know the Company practices and procedures* | 0,42 | 0,13 | 0,41 | <u>0,76</u> | 0,62 | 0,19 | 0,30 |
| Integrity* | 0,66 | 0,27 | 0,54 | <u>0,73</u> | 0,28 | 0,37 | 0,34 |
| Interest in foreign cultures | 0,35 | 0,31 | 0,13 | <u>0,67</u> | 0,00 | 0,11 | -0,28 |
| Know the Company/Group culture* | 0,62 | 0,23 | 0,52 | <u>0,64</u> | 0,46 | 0,29 | 0,03 |
| Expatriate education background | 0,24 | -0,26 | 0,06 | <u>0,56</u> | 0,30 | 0,03 | 0,26 |
| Job knowledge | 0,28 | 0,01 | 0,32 | 0,20 | <u>0,87</u> | 0,17 | 0,20 |
| Previous professional experience | 0,28 | 0,05 | 0,29 | 0,35 | <u>0,81</u> | 0,11 | 0,08 |
| Willingness to change | 0,38 | 0,14 | 0,13 | 0,19 | 0,14 | <u>0,87</u> | -0,05 |
| Expatriate flexibility* | 0,41 | 0,20 | 0,55 | 0,47 | 0,04 | <u>0,76</u> | 0,16 |
| Organizational ability* | 0,66 | 0,08 | 0,66 | 0,36 | 0,34 | <u>0,74</u> | 0,22 |
| Industriousness* | 0,42 | -0,05 | 0,56 | 0,21 | 0,44 | -0,03 | <u>0,71</u> |
| Motivation | 0,14 | -0,25 | 0,36 | 0,42 | 0,23 | 0,36 | <u>0,64</u> |
| Knowledge of local languages | 0,30 | 0,09 | 0,33 | 0,22 | 0,19 | 0,27 | -0,48 |
| <i>Variance explained by each factor ignoring the others</i> | <i>31,56</i> | <i>12,31</i> | <i>6,98</i> | <i>6,58</i> | <i>6,04</i> | <i>5,37</i> | <i>4,30</i> |

Note: Factor loadings have been rounded up to two decimals. Loadings for factors to which attributes are assigned are underlined.

* Selection attribute omitted from factor because loads more than 0,50 in more than one factor.

Table 52 – Factor loadings (standardized regression coefficients) for seven selection criteria

The designations used for the seven factors are based on Arthur & Bennett (1995) research and the description of each selection criteria. These labels are (I) relational skills, (II) family situation, (III) professional skills, (IV) extra-cultural openness, (V) job knowledge and experience, (VI) expatriate flexibility and (VII) motivation and industriousness.

As shown on Table 53 all factors are significantly and moderately inter-correlated with the exception of factor I - relational skills- and V – job knowledge and experience and I and VII – motivation and industriousness.

Correlations

| | | FACTOR I | FACTOR II | FACTOR III | FACTOR IV | FACTOR V | FACTOR VI | FACTOR VII |
|---------------|---------------------|-------------|--------------|---------------|--------------|-------------|--------------|---------------|
| FACTOR I | Pearson Correlation | 1 | ,468** | ,292* | ,310* | ,254 | ,407** | ,089 |
| | Sig. (2-tailed) | . | ,001 | ,047 | ,034 | ,085 | ,005 | ,552 |
| | N | 47 | 47 | 47 | 47 | 47 | 47 | 47 |
| FACTOR II | Pearson Correlation | ,468** | 1 | ,237 | ,130 | ,093 | ,175 | -,149 |
| | Sig. (2-tailed) | ,001 | . | ,109 | ,383 | ,534 | ,239 | ,318 |
| | N | 47 | 47 | 47 | 47 | 47 | 47 | 47 |
| FACTOR III | Pearson Correlation | ,292* | ,237 | 1 | ,274 | ,350* | ,036 | ,206 |
| | Sig. (2-tailed) | ,047 | ,109 | . | ,059 | ,015 | ,808 | ,160 |
| | N | 47 | 47 | 48 | 48 | 48 | 48 | 48 |
| FACTOR IV | Pearson Correlation | ,310* | ,130 | ,274 | 1 | ,246 | ,191 | ,315* |
| | Sig. (2-tailed) | ,034 | ,383 | ,059 | . | ,091 | ,193 | ,029 |
| | N | 47 | 47 | 48 | 48 | 48 | 48 | 48 |
| FACTOR V | Pearson Correlation | ,254 | ,093 | ,350* | ,246 | 1 | ,166 | ,267 |
| | Sig. (2-tailed) | ,085 | ,534 | ,015 | ,091 | . | ,259 | ,066 |
| | N | 47 | 47 | 48 | 48 | 48 | 48 | 48 |
| FACTOR VI | Pearson Correlation | ,407** | ,175 | ,036 | ,191 | ,166 | 1 | ,150 |
| | Sig. (2-tailed) | ,005 | ,239 | ,808 | ,193 | ,259 | . | ,308 |
| | N | 47 | 47 | 48 | 48 | 48 | 49 | 48 |
| FACTOR VII | Pearson Correlation | ,089 | -,149 | ,206 | ,315* | ,267 | ,150 | 1 |
| | Sig. (2-tailed) | ,552 | ,318 | ,160 | ,029 | ,066 | ,308 | . |
| | N | 47 | 47 | 48 | 48 | 48 | 48 | 48 |

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 53 – Inter-factor correlations and significance levels

In order to verify hypothesis 3 and assess the relative importance of job and company knowledge as selection criteria, a composite score was created. This score is the sum of the ratings of all selection criteria that loaded on each of the seven factors, divided by the number of criteria. To this score was excluded the selection criteria that loaded more than 0,50 on more than one factor. Factor importance is obtained, therefore, as the mean composite score. These same scores were used to calculate factor correlations (see Table 53).

Table 54 presents the descriptive statistics as t tests results for mean differences.

All means are significantly different from one another ($p < 0,01$). The most important selection factor is factor VII – motivation and industriousness, followed by factor VI – expatriate flexibility and thirdly factor V – job knowledge and experience.

| Factors | Descriptive Statistics | | | | | t-teste | | |
|------------|------------------------|--------|------|------|-------|---------|----|-------|
| | Mean | Std D. | Min. | Max. | Range | t | df | Sig. |
| Factor I | 3,73 | 0,79 | 1,40 | 5,00 | 3,60 | 32,55 | 46 | 0,000 |
| Factor II | 3,20 | 1,00 | 1,00 | 5,00 | 4,00 | 32,55 | 46 | 0,000 |
| Factor III | 3,27 | 0,99 | 1,00 | 5,00 | 4,00 | 22,02 | 46 | 0,000 |
| Factor IV | 3,80 | 0,67 | 2,33 | 5,00 | 2,67 | 22,66 | 46 | 0,000 |
| Factor V | 4,07 | 0,80 | 1,00 | 5,00 | 4,00 | 39,16 | 46 | 0,000 |
| Factor VI | 4,62 | 0,80 | 1,00 | 5,00 | 4,00 | 34,89 | 46 | 0,000 |
| Factor VII | 4,68 | 0,47 | 4,00 | 5,00 | 1,00 | 39,79 | 46 | 0,000 |

Note: means are on a 5-point scale: (1) Not important at all, (5) Highly important

Table 54 – Factors descriptive statistics and t-test for mean differences

Hypothesis 3 therefore is not supported since the most important factors are related to expatriate personal characteristics; such as motivation and flexibility or willingness to change and not so much with the possession of job or company knowledge, which ranks third. Factor III – professional skills, which are also related with job knowledge, ranked sixth being followed only by family situation as a selection factor. These mean that companies' representatives value relational and emotional skills more than knowledge and technical skills when they select expatriates for international assignments.

Departures after repatriation

Hypothesis 4a and 4b relates to departures after repatriation, assuming that the departure rate from a company after the repatriation will be positively related with the duration of an international assignment (hypothesis 4a) and a positive relationship between the stage of internationalization and the number of expatriates intending to leave the home company after returning from an international assignment (hypothesis 4b).

To assess hypothesis 4a, Spearman's rho non-parametric correlation was used as summarized in Table 55. Post repatriation departure rate was measured by respondents answer to item: "*percentage of expatriates who have resigned from the company, to work in another place, within the two years after being repatriated*".

Correlations

| | | | Assignments average duration - Business Trip | Assignments average duration - Expatriation | Assignments average duration - Service Commission | Assignments average duration - Commuting | Expatriates who resigned to work in another place |
|---|--|-------------------------|--|---|---|--|---|
| Spearman's rho | Assignments average duration - Business Trip | Correlation Coefficient | 1,000 | -,044 | ,219 | ,025 | ,057 |
| | | Sig. (2-tailed) | | ,785 | ,368 | ,941 | ,782 |
| | | N | 48 | 41 | 19 | 11 | 26 |
| | Assignments average duration - Expatriation | Correlation Coefficient | -,044 | 1,000 | ,083 | ,307 | ,221 |
| | | Sig. (2-tailed) | ,785 | | ,760 | ,359 | ,248 |
| | | N | 41 | 45 | 16 | 11 | 29 |
| Assignments average duration - Service Commission | Correlation Coefficient | ,219 | ,083 | 1,000 | ,254 | | |
| | Sig. (2-tailed) | ,368 | ,760 | | ,627 | | |
| | N | 19 | 16 | 20 | 6 | 10 | |
| Assignments average duration - Commuting | Correlation Coefficient | ,025 | ,307 | ,254 | 1,000 | ,141 | |
| | Sig. (2-tailed) | ,941 | ,359 | ,627 | | ,789 | |
| | N | 11 | 11 | 6 | 12 | 6 | |
| Expatriates who resigned to work in another place | Correlation Coefficient | ,057 | ,221 | | ,141 | 1,000 | |
| | Sig. (2-tailed) | ,782 | ,248 | | ,789 | | |
| | N | 26 | 29 | 10 | 6 | 29 | |

Table 55 – Spearman's rho correlations for the variables assignments average duration and repatriation departure rate

Data does not support hypothesis 4a, since correlations are not statistically significant.

Though no formal hypotheses were developed, the research investigated whether other measures of unsuccessful assignments would be related with assignments duration. Four additional measures: (a) expatriates repatriated before the end of contract for assignments failure, (b) expatriates having a performance below expectations due to adjustment difficulties, (c) expatriates who do not wish to go on an international assignment again, (d) expatriates who admit to resign the company after the international assignment, were correlated with assignments average duration. These measures were based on participants responses to similar questions asking the percentage applicable, in each case, to their companies. The results are presented in Table 56.

Correlations

| | | | Assignments average duration - Business Trip | Assignments average duration - Expatriation | Assignments average duration - Service Commission | Assignments average duration - Commuting | Expatriates repatriated before the end of contract | Expatriates having a performance below expectations | Expatriates do not want to go again | Expatriates who resigned to work in another place | Expatriates who admit to resign the company after the IA |
|--|---|-------------------------|--|---|---|--|--|---|-------------------------------------|---|--|
| Spearman's rho | Assignments average duration - Business Trip | Correlation Coefficient | 1,000 | -.044 | .219 | .025 | -.227 | -.241 | -.212 | .057 | .167 |
| | | Sig. (2-tailed) | . | .785 | .368 | .941 | .255 | .226 | .298 | .782 | .414 |
| | | N | 48 | 41 | 19 | 11 | 27 | 27 | 26 | 26 | 26 |
| | Assignments average duration - Expatriation | Correlation Coefficient | -.044 | 1,000 | .083 | .307 | -.391* | -.349 | -.373** | .221 | .046 |
| | | Sig. (2-tailed) | .785 | . | .760 | .359 | .032 | .059 | .046 | .248 | .814 |
| | | N | 41 | 45 | 16 | 11 | 30 | 30 | 29 | 29 | 29 |
| | Assignments average duration - Service Commission | Correlation Coefficient | .219 | .083 | 1,000 | .254 | .000 | -.247 | -.225 | . | .060 |
| | | Sig. (2-tailed) | .368 | .760 | . | .627 | 1,000 | .492 | .531 | . | .870 |
| | | N | 19 | 16 | 20 | 6 | 10 | 10 | 10 | 10 | 10 |
| | Assignments average duration - Commuting | Correlation Coefficient | .025 | .307 | .254 | 1,000 | -.197 | -.018 | -.424 | .141 | .141 |
| | | Sig. (2-tailed) | .941 | .359 | .627 | . | .709 | .973 | .402 | .789 | .789 |
| | | N | 11 | 11 | 6 | 12 | 6 | 6 | 6 | 6 | 6 |
| Expatriates repatriated before the end of contract | Correlation Coefficient | -.227 | -.391* | .000 | -.197 | 1,000 | .721** | .596** | .169 | .042 | |
| | Sig. (2-tailed) | .255 | .032 | 1,000 | .709 | . | .000 | .001 | .380 | .827 | |
| | N | 27 | 30 | 10 | 6 | 30 | 30 | 29 | 29 | 29 | |
| Expatriates having a performance below expectations | Correlation Coefficient | -.241 | -.349 | -.247 | -.018 | .721** | 1,000 | .564** | -.022 | -.022 | |
| | Sig. (2-tailed) | .226 | .059 | .492 | .973 | .000 | . | .001 | .909 | .563 | |
| | N | 27 | 30 | 10 | 6 | 30 | 30 | 29 | 29 | 29 | |
| Expatriates do not want to go again | Correlation Coefficient | -.212 | -.373** | -.225 | -.424 | .596** | .564** | 1,000 | -.054 | .134 | |
| | Sig. (2-tailed) | .298 | .046 | .531 | .402 | .001 | .001 | . | .782 | .490 | |
| | N | 26 | 29 | 10 | 6 | 29 | 29 | 29 | 29 | 29 | |
| Expatriates who resigned to work in another place | Correlation Coefficient | .057 | .221 | . | .141 | .169 | -.022 | -.054 | 1,000 | .508** | |
| | Sig. (2-tailed) | .782 | .248 | . | .789 | .380 | .909 | .782 | . | .005 | |
| | N | 26 | 29 | 10 | 6 | 29 | 29 | 29 | 29 | 29 | |
| Expatriates who admit to resign the company after the IA | Correlation Coefficient | .167 | .046 | .060 | .141 | .042 | .112 | .134 | .508** | 1,000 | |
| | Sig. (2-tailed) | .414 | .814 | .870 | .789 | .827 | .563 | .490 | .005 | . | |
| | N | 26 | 29 | 10 | 6 | 29 | 29 | 29 | 29 | 29 | |

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

Table 56 – Spearman's rho correlations for the variables assignments average duration and unsuccessful assignment measures

There is a negative and significant association between long-term assignments duration and the percentage of expatriates repatriated before the end of contract for assignment failure and with the percentage of expatriates who do not want to go again. Apparently, longer assignments decrease the likelihood of repatriation before ending a contract for performance failure as well as the chances to refuse another assignment.

Hypothesis 4b predicts that the number of expatriates intending to leave their home company after returning from an international assignment will be positively related with the company stage of internationalization. Data presented in Table 57 do not support this prediction. In fact, the correlation is not statistically significant, is negative between the stage of internationalization and the departure rate or the intention to leave. Apparently, it seems that, the more internationalized a company is, the more interesting it is to work for. This idea needs further development.

Correlations

| | | | INTERNATIONAL STAGE | Expatriates who resigned to work in another place | Expatriates who admit to resign the company after the IA |
|----------------|--|-------------------------|---------------------|---|--|
| Spearman's rho | INTERNATIONAL STAGE | Correlation Coefficient | 1,000 | -,193 | -,231 |
| | | Sig. (2-tailed) | . | ,325 | ,236 |
| | | N | 50 | 28 | 28 |
| | Expatriates who resigned to work in another place | Correlation Coefficient | -,193 | 1,000 | ,508** |
| | | Sig. (2-tailed) | ,325 | . | ,005 |
| | | N | 28 | 29 | 29 |
| | Expatriates who admit to resign the company after the IA | Correlation Coefficient | -,231 | ,508** | 1,000 |
| | | Sig. (2-tailed) | ,236 | ,005 | . |
| | | N | 28 | 29 | 29 |

** . Correlation is significant at the 0.01 level (2-tailed).

Table 57 – Spearman's rho correlations for the variables company stage of internationalization and expatriates resignation after expatriation and expatriates' intentions to leave

6. Discussion

The present study aims to increase our understanding of Portuguese companies policies and practices on international assignments against international literature and relate those practices with their stage of internationalization.

To this regard, the main findings may be summarized as follows:

Portuguese vs. International companies

In this exploratory study 53 companies participated: 32 are Portuguese and 21 are international subsidiaries located in Portugal. Portuguese companies differ significantly from international companies on the number of countries where they operate and the total number of employees. Portuguese companies have less worldwide employees and operate in fewer countries. As a consequence, Portuguese expatriates and firm's international assignments policies and practices differ, as this study reveals.

Expatriates in Portugal vs. Portuguese Expatriates

When compared, Portuguese expatriates tend to be younger, generally less educated and unmarried than expatriates in Portugal. Usually Portuguese expatriates do diversified roles at the destination companies from management positions to knowledge transfer while Expatriates in Portugal tend to concentrate in two main roles: Management Direction and Project Management. No other differences were found for gender, international experience, or seniority in the company.

Data show that Portuguese companies, more than their international counterparts, tend to prefer Portuguese expatriates from age 40 to 50, with university degrees that already have an international experience of four to seven years. Despite these findings, international companies, more than Portuguese firms, consider international assignments more fundamental for transferring knowledge than for exerting control.

International Assignment Policy

More than half of the surveyed companies (58,5%) have a written policy for international assignments. Interestingly the most frequent assignments are business trips (37,5%), immediately followed by expatriation (33,2%). Furthermore, expatriation is not the most frequent assignment category for any professional group and short-term assignments for training are used significantly more than by international companies.

As with the last two years, all international assignments are expected to increase, especially business trips and virtual missions, which confirm our initial predictions. Long term assignments and international transfers most likely will show a slight decrease, as the companies benefit from the international experience and the new technologies in order to diminish the number of expatriates and associated costs.

Expatriation Management

The most common contractual basis for international assignments is an addendum to the original employment contract. Human resources professionals perform expatriate briefings and salary calculations as well as the more traditional personnel tasks as expatriate payroll and obtaining work permits. The majority of companies do not outsource the administration of expatriates to a consultancy company, except for tax support. Expatriation cost has not been a reason for avoiding the use of expatriates.

Selection

A factor analysis identified seven selection factors, all significantly different from one another ($p < 0,01$). The most important selection factor for companies' representatives is motivation and industriousness, followed by expatriate flexibility and thirdly by job knowledge and experience. The least important factor is family situation.

In relation with the selection methods, the most common is still the familiarity with the potential applicants. Managers base their decisions mainly on the knowledge of employees previous work experience in the company (44 references – 83%) and on the selection interview (25 references – 47,2%).

Apparently these findings contradict previous research (Suutari & Brewster, 1999; Scullion & Brewster, 2001), which support the idea that technical expertise and domestic track record are the dominant selection criteria. Research in Europe also indicates that selection criteria are largely constructs of international human resources departments: in practice line managers make decisions on expatriate selection (Scullion & Brewster, 2001). To this point is important to make a distinction between selection criteria and selection methods, often neglected in expatriate's literature. What our data reveal is that, in practice, line managers make the decisions by adopting informal selection methods based on their familiarity with expatriate's technical expertise and job knowledge (which helps to explain the low rate of female expatriates), while considering also motivational and personal selection criteria.

Methodologically, we based this analysis on Arthur & Bennett (1995) research of factors perceived to contribute to expatriates success. Differently from them, respondents were companies' representatives instead of international assignees and

the factor analysis identified seven factors instead of their initial five (family situation, flexibility/adaptability, job knowledge and motivation, relational skills and extra-cultural openness). Furthermore, the perceived relative importance of the selection factors reported in this study is different from the relative importance of factors perceived to contribute to success reported by the authors, as summarized in Table 59. Apparently these differences indicate that companies undervalue selection factors that assignees do perceive as important contributors to their success. That is especially the case for the family situation.

| Factors perceived to contribute to assignee's success - Arthur & Bennett (1995) | Selection Factors |
|---|-----------------------------------|
| 1° Family Situation | 1° Motivation and Industriousness |
| 2° Flexibility/Adaptability | 2° Expatriate Flexibility |
| 3° Job Knowledge and Motivation | 3° Job Knowledge and Experience |
| 4° Relational Skills | 4° Extra-Cultural Openness |
| 5° Extra-Cultural Openness | 5° Relational Skills |
| | 6° Professional Skills |
| | 7° Family Situation |

Table 59 – Comparison between Arthur & Bennett model (1995) and selection factors – descending order of importance.

However, there are limitations on this conclusion. First, we used the same attributes as the authors, but in a different context and for different purposes – to determine the most important selection factors not to test the authors' model. Second, it is generally recognized that the greater the sample sizes the better to use a factor analysis and identify the same factors (Pestana & Gageiro, 2003) and in our case the sample is too small, which may explain the seven factors instead of five. Another limitation is to focus alone on the perception of companies' representatives, which is only part of the perspective. Despite these limitations these data bring to attention the need for further research on this topic.

Number of Expatriates

Only 15 companies (28,5%) encounter some difficulties in attracting employees for international assignments. Further, 12 companies (22,6%) stated that employees never turned down an offer of international assignment and 21 companies (39,6%) had it only occasionally. On the opinion of the majority of the responding companies – 77,8%, this behavior has been unchanged over the last two years, and the main motives for assignment refusal are family and dual career concerns. Company responses do not differ based on nationality.

These results differ from the results reported in literature (Black et al., 1999, Scullion & Brewster, 2001). Several reasons may explain this. The first is the relative difference of Portuguese expatriates: by being younger, unmarried and less qualified they may be more open to new career opportunities, especially in newly establish markets where career progression may be faster than in the home country. Second, unemployment rate in Europe is higher than in USA and in Portugal it is especially high for young graduates. That may help explain why the opportunity for an international assignment is hardly refused. Third, companies operating in Portugal

may be making better assignment propositions than their international counterparts. Further research might explore this issue in the future.

Training

Training is more frequent in Europe than US. Over 60% of British and Irish provide some pre departure training vs. 30% for US companies (Scullion & Brewster, 2001). Our research confirms these findings. More than half of surveyed companies (54,9%) provide expatriates some sort of training before starting an international assignment. 43,4% of the companies provides language training for assignees, 15,1% supplies language training for the spouse and 15,1% grant it to the entire family. Still, the benefits of cross-cultural training are not highly recognized, as is the last form of training used by the surveyed companies, which is again in line with the existing literature (Black & Mendenhall, 1990; Mendenhall & Stahl, 2000).

Likewise, data partially supports hypothesis 1b (that is the company stage of internationalization is positively correlated with the company training policy) although this is not independent from companies' nationality. It seems that the more internationalized is a company, the more it tends to recognize the need to provide pre-departure training.

Performance Appraisal and Career Development

Portuguese companies differ significantly from international companies since they do not have a special system to assess expatriates performance, and as a consequence, do not have a mentoring system. International companies do have in place such a system to support their career development programs, having mentor duties clearly defined. Despite these findings, data do not support hypothesis 1c since no significant correlation is achieved between appraising policies and practices and companies stage of internationalization.

Respondents generally recognize that the job done by expatriates in the host company is more complex than the job they had before the assignment at the home company. Yet, they are not so affirmative regarding the way their companies recognize these career developments. In fact, companies' representatives generally confirm that international assignees have, upon return, a positive development of their careers and social status within the organization, but mean scores are low. Findings among US repatriates indicate that around one-quarter were promoted while one fifth faced downward career mobility; while of British repatriates 46 percent reported positive effects on their careers, whereas 54 percent reported negative outcomes (Suutari, 2003). Additionally, in a survey among US companies (Black et al., 1999), 65 percent of Human Resources Managers referred an international assignment had a positive career impact while 77 percent of the expatriates felt it had a negative effect on their careers. These somewhat contrasting data point out to the need for further research that come to include expatriates' perspectives.

Compensation

The balance sheet/build up approach, that is the guarantee at the destination of the same net income as in the home country for the same level position, is not the most common method for Portuguese companies or for international firms. A mixture of methods is adopted and companies keep the flexibility to decide, on a case-by-case basis, the best place and currency to pay.

Bonus award are made by nearly half of the surveyed companies through the grant of a performance bonus. Portuguese and international companies do not differ in the way they manage bonus and premiums nor is this practice significantly related to the company's stage of internationalization.

From the participating companies, 43,4% incorporate cost of living indices in the calculation of the assignment remuneration packages and 25 companies (38,4%) have rules regarding exchange rates fluctuations and their impact on assignees compensation. Additionally, the more internationalized a firm is, the more it tends to consider cost of living indexes in composing its expatriates compensation packages, which is most likely related with its intensive use of third country nationals.

Almost all companies provide assistance relative to housing costs at the destination and housing procedures do have a positive correlation with companies' stage of internationalization. Again, the more internationalized a firm is, the more it tends to reimburse for rent cost up to a maximum monthly amount instead of adopting other practices or procedures. This positive correlation persists regardless of companies' countries of origin.

Most companies (62,3%) provide a company car at the destination or at least have rules that make its availability dependant to circumstances. The majority of the surveyed companies (90,5%) have rules related to home trips, some of which (24,5%) might depend on circumstances. Unexpectedly, more internationalized companies are less likely to provide more than one home trip a year to assignees alone, which might be related with the fact that assignments are longer and expatriates do not live alone or with the need to typify procedures.

Dual careers policy is positively and significantly correlated with the company stage of internationalization; but this is not independent from nationality, which may mean that as companies go international they tend to be more supportive for family needs.

Hypothesis 1e, which suggests a positive correlation between rewarding policies and practices and companies' stage of internationalization, receives partial support.

Adjustment and expatriate failure

With respect to the time to adjust, the largest part of the surveyed companies (43,4%) believe that it is totally variable, while another 43,4% trust it take less than six months. Finally, 11,3% believe it take six months to one year to be totally adjusted to a host location.

Regarding expatriate failure rate, the reported percentages are very low: less than 5% of all expatriates have been repatriated before the end of contract for assignment failure or performance below expectations and only 1% had resign to work for another company within the two years after return. The percentage of those of intend to resign is lower than 1%. Hypothesis 4b predicts that the number of expatriates intending to leave their home company after returning from an international assignment will be positively related with the company stage of internationalization. In our study, the correlation between the stage of internationalization and the departure rate or the intention to leave, though not statistically significant, is

negative. Apparently, it seems that, as more internationalized is a company as more interesting it is to work for!

This data contradicts existing empirical evidence (Stahl et al., 2002), which indicates that the majority of expatriates are willing to leave their companies for a better job in another firm and that a majority of repatriates have seriously considered that move. Other authors (Scullion & Brewster, 2001) have argued that expatriate failure rate may be a less significant issue in Europe for several reasons, as: more efficient HRM policies in Europe covering international transfers, more attention to expatriates selection, more valorization of international assignments to the overall management development process and finally the Europeans can be by themselves more internationally oriented than their American counterparts. Another difference between Europe and US that may help explain these results is the relationship between job tenure and severance payment in case of job lost. As job tenure increase, severance payment may increase more than proportionally which may be an incentive to remain in the same company. These explanations can also apply to our study as many others as the different characteristics of Portuguese expatriates. In other words, by being mostly assigned alone and for shorter periods are companies decreasing expatriation failures rates? What is the expatriates' perspective? These are questions requiring further research in future.

Repatriation

Over one third of the surveyed companies recognize that there is not much repatriation preparation and 20,8% start repatriation three months before the move.

In fact, longer expatriate assignments are negatively correlated with the repatriation before the end of a contract for performance failure. It seems that longer assignments are usually not interrupt for performance failure. This may be explained by the fact that some companies tend to invite expatriates for longer assignments assuring them a "probation period". During this initial 3 to 6 months period, expatriates commute while learn the new job and culture and search for schools and housing.

Finally, longer assignments are also negatively correlated with expatriates who do not want to go on assignment again. Restated, long-term assignments are the best modality to persuade assignees to repeat an international assignment. This may be related with the increase difficulty expatriates have in Europe in general and in Portugal, in particular, to find an equivalent position in the marketplace when relocate. Therefore, the best alternative seems to be continuing on international assignment. Another possible explanation is that expatriates are very satisfied with their international career and life and as a consequence, accepting another assignment is more than an option: is an opportunity.

7. General Limitations of the Study

As mentioned, this is the first study to systematically address the issue of international assignments in Portugal and collect data using a Portuguese sample. Thus, it is an exploratory study. As a consequence, this study has several limitations that affect the scope and representativeness of its results, as follows.

First, common method variance may occur when respondents provide information on both independent and dependent variables through the same instrument of data collection, in our case, the same inquiry. Often respondents tend to provide logically consistent information, which distort the relationship between variables. In this case, we attempted to reduce this by using as much as possible factual data (percentage of, number of...) and a variety of response formats, spread along the questionnaire. Accordingly, the results should be viewed cautiously until future research, using other data collection methods, provides additional information.

Second, some variables, especially the one use to assess companies' stage of internationalization, were new measures not previously tested. The test of hypothesis was based on a single item descriptive scale. Additionally, this variable correlated significantly with companies' nationality, which can justify some of the non-significant findings. Accordingly, future studies should attempt to improve this scale of internationalization by tuning up some definitions as well as including other measures.

Third, another limitation of the present study is its focus on companies' representatives. For many subjects, it would be important to compare their perceptions with expatriates' perspectives. For instance, future research can assess if expatriates value selection factors such as family situation in the same manner as companies representatives or differently.

Finally, whereas the response rate was similar to other international mail surveys, the sample size was limited for some statistical analysis and the data available for several issues remained limited. Because we are using a relatively small sample of companies that self select themselves by deciding to participate in this survey, it is plausible that the study sample might not be representative of Portuguese and international companies in general, but only of those that care about international assignments. As a consequence, results generalization should not be made beyond these limits.

8. Recommendations and suggestions for future research

To conclude based on the results reported here, several recommendations and suggestions could be made for organizations, managers, researchers and expatriates themselves.

For organizations, including many of the surveyed companies, the study summary of international assignment policies and practices adopted in Portugal reveal that there is room for a number of relatively low-cost improvements in the way they manage international assignments. Of special relevance are the findings that expatriation is not the most popular international assignment category nor it will be in future. As well, the more internationalized companies have pre-departure training policies, provide for housing by reimbursing rent costs up to a maximum monthly amount and incorporate cost of living indexes in the calculation of expatriates packages. More than the others, these companies have dual careers policy.

For managers, especially for Portuguese business managers, the study reveals that Portuguese companies still falls behind some best international management

practices, for instance in training or performance appraisal and career development. Yet, the study has also shown that managers are encountering fewer difficulties than reported in expatriate literature in attracting employees for international assignments, in managing expatriate failures and in helping expatriates adjust. Apparently, Portuguese expatriates are not like expatriates in Portugal. Therefore, international work management activities do not need to be the same worldwide: rather better adjusted to expatriates characteristics, and companies' strategy.

For researchers, the data presented here like many other exploratory studies, opens up several questions for future developments:

- It would be interesting to carry out a longitudinal study with this group of companies and establish whether their practices evolves on time along with their stage of internationalization evolution;
- It would be valuable to extend the present research to expatriates themselves. Using data collection from expatriates would make possible to compare the practices actually provided by the companies the importance as valued by their expatriates. Dual perspectives would then be obtained and compared.
- There is a need to extend this evidence improving the scale for measuring the stage of internationalization and using other more quantitative measures.
- It would also be interesting to proceed exploring Arthur & Bennett (1995) model of factors perceived to contribute to expatriates success to answer the question: "Are companies underscoring selection factors expatriates perceive important for their success?"
- A final suggestion relates to expatriate failures and adjustment. Present study come up with the evidence that Portuguese expatriates have low failure rates and adjust fairly easy. Why? Does this happen for all dimensions of adjustment? Are there inherent Portuguese cultural characteristic that lead to greater success in international assignments among Portuguese expatriates? Or, are limited economic and career opportunities in Portugal providing an incentive to accept international postings?

For the expatriates themselves, this study is self-explanatory. It translates the results from an inquiry to the largest 53 Portuguese and international companies representatives about matters impacting their lives. To expatriates, what this study shows is that for the largest part of the surveyed companies expatriates adjust to destination companies in less than six months, less than 5% of all expatriates are repatriated before the end of contract for assignment failure; and 1% or less resigned or intend to resign to work for another company after returning. Only 10,3% of all expatriates does not want to go again. In many ways, the literature may have over-emphasized the negative effects of international assignments, especially when applicable to Portuguese expatriates.

In conclusion, one expatriate I worked with once called me and said: *"I am working on the roof right now. My ex-boss doesn't know. My new boss doesn't know either. No one in this company seems to know what I do. Who cares?"* Hopefully, this is one from many to help companies not to forget their most invaluable resources: people, wherever they are!

Appendix 1

Questionnaire¹

This questionnaire aims to characterize the International Work Practices used by companies located in Portugal as they go international. There are no good or bad answers, only your opinion matters. Thank you very much for your time to fill this questionnaire.

I. GENERAL INFORMATION

1. Present Position:

| | | | | |
|--|---------------------------------------|------------------------------|-------------------------------|---------------------------------|
| <input type="checkbox"/> Board Member | <input type="checkbox"/> Manager | Gender: | <input type="checkbox"/> Male | <input type="checkbox"/> Female |
| <input type="checkbox"/> Managing Director | <input type="checkbox"/> Professional | Seniority in the Company:... | ... | |
| <input type="checkbox"/> VP/Functional Manager | <input type="checkbox"/> Other:..... | | | |

2. Please mention the Economic Sector/Industry to which belongs your Company/Group as well as the corresponding code: CAE

| | |
|---|---|
| <input type="checkbox"/> A. Agriculture <input type="checkbox"/> B. Fishing Industry and Related Activities <input type="checkbox"/> C. Extractive Industry <input type="checkbox"/> D. Transforming Industry: <input type="checkbox"/> DA. Food, Beverage and Tobacco <input type="checkbox"/> DB. Textile <input type="checkbox"/> DC. Leather and Related Products <input type="checkbox"/> DD. Wood and Cork <input type="checkbox"/> DE. Pulp and Paper <input type="checkbox"/> DF. Oil and Gas <input type="checkbox"/> DG. Chemicals and Syntactic Fibers <input type="checkbox"/> DH. Rubber and Plastic Materials <input type="checkbox"/> DI. Other Minerals and Non Metallic Products <input type="checkbox"/> DJ. Metallurgy and Metallic Products <input type="checkbox"/> DK. Non-Electric Machines and Equipments | <input type="checkbox"/> DL. Electrical and Optical Equipment <input type="checkbox"/> DM. Transportation Material Manufacturing <input type="checkbox"/> DN. Non-Electric Transforming Industry <input type="checkbox"/> E. Production and Distribution of Electricity, Gas and Water <input type="checkbox"/> F. Construction <input type="checkbox"/> G. Retail (Gross and Specialized) <input type="checkbox"/> H. Lodgment and Restaurants <input type="checkbox"/> I. Transports, Warehousing and Communications <input type="checkbox"/> J. Financing <input type="checkbox"/> K. Real State, Renting and Related Services <input type="checkbox"/> L. Public Administration, Defense and Social Security <input type="checkbox"/> M. Education <input type="checkbox"/> N. Health and Social Care <input type="checkbox"/> O. Other Collective, Social or Personal Services <input type="checkbox"/> OO. Other Services |
|---|---|

3. Please indicate the region where is your Company/Group headquarters:

Country of Origin: District:

4. Please fill in the following information regarding your Company/Group (from June 2004):

| Total number of countries where the Company/Group operate: | Total company/group revenues (Annual/€): | Company/group revenues outside the country of origin (In% of total volume): |
|--|---|--|
| <input type="checkbox"/> 1 - 3 countries <input type="checkbox"/> 4 - 6 countries <input type="checkbox"/> 7 - 10 countries <input type="checkbox"/> 11 - 15 countries <input type="checkbox"/> 16 - 25 countries <input type="checkbox"/> More than 25 countries | <input type="checkbox"/> ≤ 50 million € <input type="checkbox"/> 50 - 100 million € <input type="checkbox"/> 100 - 1.000 million € <input type="checkbox"/> 1.001 - 100.000 million € <input type="checkbox"/> 10.001 - 100.000 million € <input type="checkbox"/> > 100.000 million € | <input type="checkbox"/> < 5% from total <input type="checkbox"/> 5-10% from total <input type="checkbox"/> 10-25% from total <input type="checkbox"/> 25-50% from total <input type="checkbox"/> 50-75% from total <input type="checkbox"/> > 75% from total |

| Total Number of Expatriates in Portugal | | | | |
|--|--|---|---|--|
| Worldwide | Portugal | Total Number of Expatriates | | |
| | | Portuguese Expatriates Outside | Expatriates in Portugal | Worldwide Female Expatriates |
| <input type="checkbox"/> < 100 <input type="checkbox"/> 100 to 500 <input type="checkbox"/> 501 to 1.500 <input type="checkbox"/> 1.501 to 5.000 <input type="checkbox"/> 5.001 to 10.000 <input type="checkbox"/> More than 10.000 | <input type="checkbox"/> < 100 <input type="checkbox"/> 100 to 500 <input type="checkbox"/> 501 to 1.500 <input type="checkbox"/> 1.501 to 5.000 <input type="checkbox"/> 5.001 to 10.000 <input type="checkbox"/> More than 10.000 | <input type="checkbox"/> < 5 <input type="checkbox"/> 5 to 10 <input type="checkbox"/> 11 to 50 <input type="checkbox"/> 51 to 1.50 <input type="checkbox"/> 151 to 500 <input type="checkbox"/> More than 500 | <input type="checkbox"/> < 5 <input type="checkbox"/> 5 to 10 <input type="checkbox"/> 11 to 50 <input type="checkbox"/> 51 to 1.50 <input type="checkbox"/> 151 to 500 <input type="checkbox"/> More than 500 | <input type="checkbox"/> < 1% from total <input type="checkbox"/> 1-5% from total <input type="checkbox"/> 5-10% from total <input type="checkbox"/> 10-25% from total <input type="checkbox"/> 25-50% from total <input type="checkbox"/> > 50% from total |

¹ English translation.

| Characterization of Expatriates (1) in Portugal (approximate data) | | | |
|--|---|---|---|
| Age: ___ % < 30 years ___ % 30 – 40 years ___ % 40 – 50 years ___ % 50 – 55 years ___ % 55 – 60 years ___ % More 60 years | Education: ___ % Up to 9 years ___ % 9 - 12 years ___ % Bachelorship ___ % University Degree ___ % MBA/Master ___ % Other: | Marital Status: ___ % Single ___ % Married ___ % Divorced ___ % Other | Seniority in the Company -Group: ___ % Up to 2 years ___ % 3 - 5 years ___ % 5 - 10 years ___ % More than 10 years |
| Position in the Company: ___ % Expatriates in Management Positions ___ % Expatriates in Project Management ___ % Expatriates transferring knowledge and competencies ___ % Expatriates in Management Development ___ % Expatriates from the International Cadre | | Years of International Experience: ___ % Up to 2 years ___ % 2 - 4 years ___ % 4 - 7 years ___ % More than 7 years | |
| Characterization of Portuguese Expatriates working abroad (approximate data) | | | |
| Age: ___ % < 30 years ___ % 30 – 40 years ___ % 40 – 50 years ___ % 50 – 55 years ___ % 55 – 60 years ___ % More 60 years | Education: ___ % Up to 9 years ___ % 9 - 12 years ___ % Bachelorship ___ % University Degree ___ % MBA/Master ___ % Other: | Marital Status: ___ % Single ___ % Married ___ % Divorced ___ % Other | Seniority in the Company -Group: ___ % Up to 2 years ___ % 3 - 5 years ___ % 5 - 10 years ___ % More than 10 years |
| Position in the Company: ___ % Expatriates in Management Positions ___ % Expatriates in Project Management ___ % Expatriates transferring knowledge and competencies ___ % Expatriates in Management Development ___ % Expatriates from the International Cadre ___ % Other | | Years of International Experience: ___ % Up to 2 years ___ % 2 - 4 years ___ % 4 - 7 years ___ % More than 7 years | |

(1) Expatriate is an international worker doing a long-term assignment on behalf of the employing company.

5. Considering the characteristics and the number of foreign subsidiaries of your Company/Group, how do you classify it:

| | |
|--|--|
| <input type="checkbox"/> An Export Organization <i>(i.e. a public or private Portuguese company that exports to diverse countries).</i> | <input type="checkbox"/> A Multidomestic Organization <i>(i.e. an Organization composed by local independent subsidiaries that compete in the local market, forming a decentralized federation in which the corporate centre has a control role).</i> |
| <input type="checkbox"/> An Export Organization beginning internationalisation <i>(i.e. a public or private Portuguese company that may or may not export to diverse countries but is expanding activities to other countries).</i> | <input type="checkbox"/> A Global Organization <i>(i.e. an Organization composed by local independent subsidiaries which compete in the global market, forming a centralized structure around the corporate centre, which conveys competitive advantages through cost advantages).</i> |
| <input type="checkbox"/> A Transnational Organization <i>(i.e. an Organization composed by international interdependent subsidiaries competing in a global market forming an efficient integrated network on which the corporate centre has only a coordination role).</i> | <input type="checkbox"/> Other: |

II. INTERNATIONAL ASSIGNMENT POLICIES AND PRACTICES

6. Does your Company/Group have a written international assignment policy?

No Yes I don't know

a) If Yes, please indicate its characteristics:

| | |
|--|---|
| <input type="checkbox"/> One worldwide policy | <input type="checkbox"/> Policy applicable only to Home Country Expatriates |
| <input type="checkbox"/> Global policy with local variations | <input type="checkbox"/> Policy under development |
| <input type="checkbox"/> Other: | |

b) From the following list, what are the international moves covered by your Company/Group Policy?

| | | |
|--|--|--|
| <input type="checkbox"/> Business Trips | <input type="checkbox"/> International Commuting (1) | <input type="checkbox"/> Includes all the moves listed |
| <input type="checkbox"/> Expatriation/Long Term assignments | <input type="checkbox"/> "Virtual Assignments" (2) | <input type="checkbox"/> I don't know |
| <input type="checkbox"/> Service Commissions, Short Term Assignments | <input type="checkbox"/> Permanent Transfers | <input type="checkbox"/> Other: |

⁽¹⁾ International Commuting - assignments whereby the assignee commutes from his/her home country to the place of work in another country, while the family remains at home. Usually this occurs weekly or bi-weekly from "close" countries.

⁽²⁾ Virtual Assignments - assignments whereby the assignee has regular international accountabilities, which he/she achieves without a permanent move through regular business trips, videoconferences, e-mail, etc.

7. For the following statements, please indicate with an (X) the option that best describes your Company/Group International Work Practices, considering that: (1) means "Not Applicable" e (5) "Totally Applicable":

| International Work Practices | |
|--|------------------------|
| 1) Cost is the main factor limiting the growth of use of expatriates by the Company/Group; | 1... 2... 3... 4... 5. |
| 2) The expatriate's career development is a centralized process in the headquarters; | 1... 2... 3... 4... 5. |
| 3) The administration of expatriates from the Company/Group is outsourced to a consultancy company; | 1... 2... 3... 4... 5. |
| 4) Prior to each individual assignment the total costs are estimated; | 1... 2... 3... 4... 5. |
| 5) In the Company/Group an employee may refuse an international assignment without negative implications for his/her career development; | 1... 2... 3... 4... 5. |
| 6) In recent years the Company/Group has controled the cost associated to international assignments | 1... 2... 3... 4... 5. |
| 7) The Company/Group has an integrated program to manage performance and career development in all companies and subsidiaries | 1... 2... 3... 4... 5. |
| 8) The management development program is only used in the home country; | 1... 2... 3... 4... 5. |
| 9) The Company/Group has a "mentors" program to support expatriate's career development; | 1... 2... 3... 4... 5. |
| 10) The Company/Group has a "mentors" program which defines clearly the mentor duties; | 1... 2... 3... 4... 5. |
| 11) The Company/Group has a special system of performance appraisal to evaluate expatriate's performance; | 1... 2... 3... 4... 5. |
| 12) The performance appraisal method to evaluate expatriate's performance is similar to host country method; | 1... 2... 3... 4... 5. |
| 13) If one female expatriate became pregnant whilst on assignment, she would stay in the host country in line with her expatriate contract, as long as she wanted to; | 1... 2... 3... 4... 5. |
| 14) The Company/Group provides emergency repatriation in case of serious illness; | 1... 2... 3... 4... 5. |
| 15) The Company/Group provides expatriates with home country vacation entitlement, regardless of its degree of favourableness; | 1... 2... 3... 4... 5. |
| 16) The Company/Group pays expatriates all premiums net of taxes; | 1... 2... 3... 4... 5. |
| 17) The Company/Group pays a mission bonus, which depends on the performance during the assignment. No performance, no bonus | 1... 2... 3... 4... 5. |
| 18) The Company/Group pays a mission premium, which is an incentive for the assignment. Part is paid in advance and the remaining upon return. | 1... 2... 3... 4... 5. |
| 19) Generally, the home company charges the host company for all costs remaining, related with expatriate's assignments; | 1... 2... 3... 4... 5. |
| 20) At the Company/Group, Top Managers consider international assignments as beneficial career opportunities; | 1... 2... 3... 4... 5. |
| 21) In the Company/Group, in general, the job done by expatriates in the host company is more complex than the previous job they had at the home company; | 1... 2... 3... 4... 5. |
| 22) The Company/Group promises a position upon return to all expatriates; | 1... 2... 3... 4... 5. |
| 23) The Company/Group values the international experience and international assignments; | 1... 2... 3... 4... 5. |
| 24) In the Company/Group, in general, the job done by expatriates upon return is more simple and less accountable than the job they had while they were in the international | 1... 2... 3... 4... 5. |

| International Work Practices | |
|--|------------------------|
| assignment: | |
| 25) In the Company/Group, international assignments are fundamental for transferring knowledge and competencies between the home and host companies; | 1... 2... 3... 4... 5. |
| 26) In the Company/Group, in general, the international assignees have, upon return, a positive development of their careers and social status within the Organization; | 1... 2... 3... 4... 5. |
| 27) In the Company/Group, international assignments are fundamental for exerting control from the headquarters to the subsidiaries; | 1... 2... 3... 4... 5. |
| 28) In the Company/Group, in general, everybody values expatriate's international experience; | 1... 2... 3... 4... 5. |
| 29) In the Company/Group, in general, all expatriates are welcomed and integrated by host companies' colleagues and supervisors; | 1... 2... 3... 4... 5. |
| 30) In the Company/Group there is no resistance to repatriation to home country; | 1... 2... 3... 4... 5. |
| 31) The Company/Group provides clear information about the position to be done upon return (repatriation training); | 1... 2... 3... 4... 5. |
| 32) In the Company/Group, returns do not always occur on time. Often they are postponed or anticipated by company decision with the assignee agreement; | 1... 2... 3... 4... 5. |
| 33) In the Company/Group the offer of functions to expatriates returning from international assignments has been negatively affected by headcount reductions; | 1... 2... 3... 4... 5. |
| 34) Expatriates administration simplicity is the rule. Tax support is outsourced to a specialized company; | 1... 2... 3... 4... 5. |
| 35) Expatriates are autonomous and responsible for their tax situation as well as any related liability both in their home and host countries; | 1... 2... 3... 4... 5. |
| 36) The Company/Group applies a tax equalization policy, i.e, the expatriate does not pay more taxes on the destination revenues than he or she would have paid if he or she had received the same income in the home country. | 1... 2... 3... 4... 5. |
| 37) The Company/Group keeps expatriates under their home country social security system, whenever possible; | 1... 2... 3... 4... 5. |
| 38) The Company/Group pays expatriates wherever is more tax and cost efficient for the company; | 1... 2... 3... 4... 5. |
| 39) The Company/Group minimizes the costs related with the social security through social security planning techniques. | 1... 2... 3... 4... 5. |

8. Does the Company/Group have measures to reduce costs associated with foreign assignments? If yes, in what areas?

| | | |
|---|---|---------------------------------------|
| <input type="checkbox"/> Compensation | <input type="checkbox"/> Hardship Allowance | <input type="checkbox"/> Housing |
| <input type="checkbox"/> Completion Bonus | <input type="checkbox"/> Expenses | <input type="checkbox"/> Taxes |
| <input type="checkbox"/> Social Security | <input type="checkbox"/> Cost of Living Allowance | <input type="checkbox"/> Others:..... |

9. Please indicate which expatriate's management tasks are done in your Company/Group and by which departments(s):

| Activities | Responsible Department |
|--|------------------------|
| <input type="checkbox"/> Expatriate Payroll | |
| <input type="checkbox"/> Expatriate Briefings | |
| <input type="checkbox"/> Salary Calculations | |
| <input type="checkbox"/> Liaison with tax advisors | |
| <input type="checkbox"/> Work Permits | |
| <input type="checkbox"/> Others: | |

10. What are the Assignments more frequent in your Company/Group? Please indicate, in approximate value, for 100 cases, how many are applicable to each category.

| | | |
|--------------------------|---|------------------------|
| ___ % Business Trips | ___ % Expatriation | ___ % Commuting |
| ___ % Service Commission | ___ % Short Term Assignments for Training | ___ % Virtual Missions |

11. What are the Assignments more frequent by Professional Group? Please indicate with a Cruz (X) the two assignments more frequent for each group.

| Types of International Assignment – by Professional Group | | | |
|---|--|--|--|
| Managers: <input type="checkbox"/> Business Trips <input type="checkbox"/> Service Commission <input type="checkbox"/> Expatriation <input type="checkbox"/> Commuting <input type="checkbox"/> Virtual Missions <input type="checkbox"/> Short Term Assignments for Training <input type="checkbox"/> Not applicable | Professionals: <input type="checkbox"/> Business Trips <input type="checkbox"/> Service Commission <input type="checkbox"/> Expatriation <input type="checkbox"/> Commuting <input type="checkbox"/> Virtual Missions <input type="checkbox"/> Short Term Assignments for Training <input type="checkbox"/> Not applicable | Supervisors: <input type="checkbox"/> Business Trips <input type="checkbox"/> Service Commission <input type="checkbox"/> Expatriation <input type="checkbox"/> Commuting <input type="checkbox"/> Virtual Missions <input type="checkbox"/> Short Term Assignments for Training <input type="checkbox"/> Not applicable | Graduate Training & Development: <input type="checkbox"/> Business Trips <input type="checkbox"/> Service Commission <input type="checkbox"/> Expatriation <input type="checkbox"/> Commuting <input type="checkbox"/> Virtual Missions <input type="checkbox"/> Short Term Assignments for Training <input type="checkbox"/> Not applicable |

12. How is, in the Company/Group, defined the average duration of the following assignments?

| Assignments Average Duration | | | |
|---|---|--|---|
| Business Trips ___ Up to 1 week ___ Up to 2 weeks ___ Up to 1 month ___ Up to 3 months ___ Up to 6 months | Expatriation ___ More than 2 years ___ Up to 3 years ___ More than 3 years ___ Up to 5 years ___ Other: | Service Commission ___ Up to 1 month ___ Up to 3 months ___ Up to 6 months ___ Up to 12 months ___ Up to 2 years | Commuting ___ Weekly ___ Bi-Weekly ___ Monthly ___ Trimester ___ Other: |

13. How was and how do you expect the use of the following assignments in your Company/Group in the following years, considering that: (+) means "Increase"; (-) means "Decrease", (0) "Equal" and (NS) means "No Opinion".

| Assignments Categories | Evolution on past 2 years | Prevision for next 2 years: |
|---|---------------------------|-----------------------------|
| <input type="checkbox"/> Business Trip | (+) ... (0)...(-)... (NS) | (+) ... (0)...(-)... (NS) |
| <input type="checkbox"/> Service Commission | (+) ... (0)...(-)... (NS) | (+) ... (0)...(-)... (NS) |
| <input type="checkbox"/> Expatriation | (+) ... (0)...(-)... (NS) | (+) ... (0)...(-)... (NS) |
| <input type="checkbox"/> Commuting | (+) ... (0)...(-)... (NS) | (+) ... (0)...(-)... (NS) |
| <input type="checkbox"/> Virtual Mission | (+) ... (0)...(-)... (NS) | (+) ... (0)...(-)... (NS) |
| <input type="checkbox"/> International Transfer | (+) ... (0)...(-)... (NS) | (+) ... (0)...(-)... (NS) |

14. In your Company/Group has ever occur an International Transfer?

- No Yes. I don't know

a) If Yes, What were the reasons?

- Expatriate wanted to relocate definitely
 No other job in the Company/Group
 Cost constraints
 Simplify Administration
 End of expatriation contract
 Other:

III. PRE-DEPARTURE – Assignment Preparation

15. What is the most common contractual form for international assignments in your Company/Group?

| | |
|---|--|
| <input type="checkbox"/> Addendum to the original employment contract | <input type="checkbox"/> New employment contract with host company |
| <input type="checkbox"/> Assignment Contract | <input type="checkbox"/> Depends on circumstances |
| <input type="checkbox"/> New employment contract with home company | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Letter of Assignment | |

16. Please sign with a Cruz (X) the option which best reflects your opinion regarding the importance your Company/Group attributes to each of the following Selection Criteria, considering: (1) "Not Important at all" e (5) "Highly Important".

| | | | |
|---|--------------------|---|--------------------|
| Adaptability of spouse & family | 1.. 2.. 3.. 4.. 5. | Administrative skills | 1.. 2.. 3.. 4.. 5. |
| Spouse's positive opinion | 1.. 2.. 3.. 4.. 5. | Industriousness | 1.. 2.. 3.. 4.. 5. |
| Stable marriage | 1.. 2.. 3.. 4.. 5. | Nonjudgmentalness | 1.. 2.. 3.. 4.. 5. |
| Willingness of spouse to live abroad | 1.. 2.. 3.. 4.. 5. | Courtesy & tact | 1.. 2.. 3.. 4.. 5. |
| Expatriate Emotional stability | 1.. 2.. 3.. 4.. 5. | Empathy | 1.. 2.. 3.. 4.. 5. |
| Expatriate Flexibility | 1.. 2.. 3.. 4.. 5. | Integrity | 1.. 2.. 3.. 4.. 5. |
| Willingness to change | 1.. 2.. 3.. 4.. 5. | Assignee motivation | 1.. 2.. 3.. 4.. 5. |
| Stress Resistance | 1.. 2.. 3.. 4.. 5. | Knowledge of local language(s) | 1.. 2.. 3.. 4.. 5. |
| Organizational ability | 1.. 2.. 3.. 4.. 5. | Previous professional experience | 1.. 2.. 3.. 4.. 5. |
| Managerial ability | 1.. 2.. 3.. 4.. 5. | Job knowledge | 1.. 2.. 3.. 4.. 5. |
| International experience | 1.. 2.. 3.. 4.. 5. | Interest in foreign cultures | 1.. 2.. 3.. 4.. 5. |
| Openness | 1.. 2.. 3.. 4.. 5. | Expatriate Education Background | 1.. 2.. 3.. 4.. 5. |
| Experience with the Company/Group Culture | 1.. 2.. 3.. 4.. 5. | Know the Company/Group practices and procedures | 1.. 2.. 3.. 4.. 5. |

17. What is the most common expatriate's Selection Method in your Company/Group?

| | |
|--|--|
| <input type="checkbox"/> Previous work experience in the Company/Group | <input type="checkbox"/> Knowledge of the destination country and/or company |
| <input type="checkbox"/> Selection Interview | <input type="checkbox"/> Other:..... |
| <input type="checkbox"/> Assessment Centre | |

18. Has your Company/Group experienced difficulties in attracting employees to accept international assignments?

No Yes

a) If Yes, these difficulties, in the last 2 years, have:

| | | |
|------------------------------------|------------------------------------|---|
| <input type="checkbox"/> Increased | <input type="checkbox"/> Decreased | <input type="checkbox"/> Been unchanged |
|------------------------------------|------------------------------------|---|

b) Have employees ever turned down offers of international assignment?

No Sometimes Yes

c) If Yes, what are the most common motives given by employees?

| | | |
|--|--|--|
| <input type="checkbox"/> Assignment duration | <input type="checkbox"/> Destination Country/Company | <input type="checkbox"/> Dual Career Problems |
| <input type="checkbox"/> Compensation | <input type="checkbox"/> Family concerns | <input type="checkbox"/> Perception of Career Risk |
| <input type="checkbox"/> Other:..... | | |

19. Does your Company/Group provide a pre-assignment visit to the host location?

No Sometimes Yes

a) If Yes:

| | | | |
|---|---|---|--------------------------------------|
| <input type="checkbox"/> The pre-assignment visit is applicable only before long-term assignments | <input type="checkbox"/> Is always provided | <input type="checkbox"/> Is always provided, including spouse | <input type="checkbox"/> Other:..... |
| <input type="checkbox"/> The pre-assignment visit is limited to 1 week | <input type="checkbox"/> Depends on circumstances | | |

20. Does your Company/Group have rules regarding the Transportation of personal goods to the host country?

| | |
|---|---|
| <input type="checkbox"/> Full cost, without limits | <input type="checkbox"/> Depends on circumstances |
| <input type="checkbox"/> Reimburses up to the limit of 1 monthly salary | |
| <input type="checkbox"/> Only pays transportation costs of personal goods | |
| <input type="checkbox"/> Reimburses up to the limit of: _____ € | |
| <input type="checkbox"/> Other:..... | |

21. Does your Company/Group have rules regarding the Transportation and Quarantine of pets?

- No Sometimes Yes

a) **If Yes, please mention:**

| | | |
|--|---|---|
| <input type="checkbox"/> Pays full cost, without limits to the limit of 1 monthly salary | <input type="checkbox"/> Depends on circumstances | <input type="checkbox"/> Reimburses costs up to the limit of: _____ € |
| <input type="checkbox"/> Other:..... | | |

22. Does your Company/Group provide Training before starting an international assignment?

- No Sometimes Yes.

a) **If Yes,** please indicate the type of program, duration and to whom is applicable:

| Training Programs | To Whom | Duration (hours) |
|---|--|------------------|
| <input type="checkbox"/> Language(s) | <input type="checkbox"/> Assignee Only <input type="checkbox"/> Assignee and Spouse <input type="checkbox"/> Assignee and Family | |
| <input type="checkbox"/> Cross-Cultural | <input type="checkbox"/> Assignee Only <input type="checkbox"/> Assignee and Spouse <input type="checkbox"/> Assignee and Family | |
| <input type="checkbox"/> Technical-Training | <input type="checkbox"/> Assignee Only <input type="checkbox"/> Assignee and Spouse <input type="checkbox"/> Assignee and Family | |
| <input type="checkbox"/> Management | <input type="checkbox"/> Assignee Only <input type="checkbox"/> Assignee and Spouse <input type="checkbox"/> Assignee and Family | |
| <input type="checkbox"/> Other:..... | <input type="checkbox"/> Assignee Only <input type="checkbox"/> Assignee and Spouse <input type="checkbox"/> Assignee and Family | |

IV. DURING ASSIGNMENT

23. Does your Company/Group reimburse or pay for Temporary Expenses in the host country?

- No Sometimes Yes

a) **If Yes, please mention:**

| | |
|--|--|
| <input type="checkbox"/> Full cost, without limits <input type="checkbox"/> Reimburses costs up to the limit of: _____ € <input type="checkbox"/> Reimburses temporary expenses up to 1 month after the arrival; <input type="checkbox"/> Reimburses temporary expenses up to 2 weeks after the arrival; <input type="checkbox"/> Pays a relocation allowance up to 1 monthly salary for covering these expenses | <input type="checkbox"/> Reimburses temporary expenses up to de 2 weeks after the arrival; as long as there was no pre-assignment visit; <input type="checkbox"/> Depends on circumstances; <input type="checkbox"/> Other:..... |
|--|--|

b) **Are these rules applicable to the relocation from the host country to home country?**

- No Yes Depends on circumstances

Please explain:

24. Which of the following international Remuneration Methods does your Company/Group adopt for long assignments:

| Remuneration Methods | Place of payment and currency |
|---|---|
| <input type="checkbox"/> Home country market rate | <input type="checkbox"/> Home Country |
| <input type="checkbox"/> Host country market rate; | <input type="checkbox"/> Host Country |
| <input type="checkbox"/> Expatriate market rate | <input type="checkbox"/> Mixture (home and host) |
| <input type="checkbox"/> Industry market rate; | |
| <input type="checkbox"/> Mixture of two or more methods mentioned here; | <input type="checkbox"/> Currency of Home Country |
| <input type="checkbox"/> Balance sheet/Build Up /Net income guarantee; | <input type="checkbox"/> Currency of Host Country |
| <input type="checkbox"/> Actual remuneration + cost reimburse up to some limits | <input type="checkbox"/> \$/US |
| <input type="checkbox"/> Other: | |

The same method is applicable to all situations (shorter assignments)? Please explain:

.....

25. Which of the following Sources of Information is used in your Company/Group to determine expatriate's compensation?

| | |
|---|--|
| <input type="checkbox"/> Management decision | <input type="checkbox"/> Salary before departure |
| <input type="checkbox"/> Equity with home country colleagues | <input type="checkbox"/> Equity with host country colleagues |
| <input type="checkbox"/> Expatriates market rate information from specialized companies | <input type="checkbox"/> Multiple of present salary |
| <input type="checkbox"/> Other: | |

26. Does the Company/Group have rules to provide Housing at the destination?

No Yes Depends on circumstances

If Yes, please mention:

| | |
|--|--|
| <input type="checkbox"/> Housing furnished and rented by the company directly | <input type="checkbox"/> Company own housing |
| <input type="checkbox"/> Pays a monthly rent allowance | <input type="checkbox"/> Reimburses costs up to the maximum of ____% of the real rent cost |
| <input type="checkbox"/> Reimburse housing costs up to a maximum monthly amount that depends on locations and family size; | |
| <input type="checkbox"/> Other:..... | |

27. Does the Company/Group have rules to provide Company Car at the destination?

No Yes Depends on circumstances

If Yes, please mention:

| |
|---|
| <input type="checkbox"/> Company car attributed in line with host country market and local company practices; |
| <input type="checkbox"/> Company car attributed in line with home country and company; |
| <input type="checkbox"/> Company car attributed whenever possible to prevent its temporary acquisition by expatriates |
| <input type="checkbox"/> Other:..... |

28. Do the Company/Group use Cost of Living Indices in the calculation of assignment remuneration packages?

No Sometimes Yes

If Yes, please explain what is the practice of the company in the following situations:

a) Relocation to a host country with a cost of living lower than the home country:

| | | | |
|---|---------------------------------|--|--------------------------------------|
| <input type="checkbox"/> Make a full negative adjustment; | <input type="checkbox"/> Ignore | <input type="checkbox"/> Cap the deduction | <input type="checkbox"/> Other:..... |
|---|---------------------------------|--|--------------------------------------|

b) How often the company reviews and/or adjust the cost of living allowance:

| | | | |
|---|-----------------------------------|---------------------------------------|--------------------------------------|
| <input type="checkbox"/> Fixed for the assignment | <input type="checkbox"/> Annually | <input type="checkbox"/> Twice a Year | <input type="checkbox"/> Other:..... |
|---|-----------------------------------|---------------------------------------|--------------------------------------|

29. Does the Company/Group have rules related with the payment/reimbursement of School Expenses of expatriate's dependent child?

No Yes Depends on circumstances

a) If Yes, please indicate who is considered:

| |
|--|
| <input type="checkbox"/> Dependant children (as either in full-time education as under 18 years old); |
| <input type="checkbox"/> Dependant children, including the dependant children of live-in partners |
| <input type="checkbox"/> Spouse/Partner and Dependant children, including the dependant children of live-in partners |

b) If Yes, please indicate the types of education funded:

| | | | |
|---|---------------------------------------|--|---|
| <input type="checkbox"/> Nursery | <input type="checkbox"/> Kindergarten | <input type="checkbox"/> Primary (1 ^o to 6 ^o) | <input type="checkbox"/> Secondary (from 9 ^o to 11/12 ^o) |
| <input type="checkbox"/> University <input type="checkbox"/> All referred | | | |

30. Does the Company/Group have rules related with home leave Trips?

No Yes Depends on circumstancesa)

If Yes, please indicate how many home leave trips are paid a year in the following situations:

| Number of home leave trips | International Assignments <i>Only the Assignee</i> | International Assignments <i>Assignee and family</i> |
|-----------------------------------|---|---|
| 1 trip/year | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 trips/year | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 trips/year | <input type="checkbox"/> | <input type="checkbox"/> |
| More than 3 trips/year | <input type="checkbox"/> | <input type="checkbox"/> |
| No home trips paid by the company | <input type="checkbox"/> | <input type="checkbox"/> |
| Other:..... | <input type="checkbox"/> | <input type="checkbox"/> |

b) If Yes, please indicate the class of travel the company provides:

Business Class Economy Class Depends on Assignee Position Depends on travel duration

c) Does the Company/Group permit trade business class tickets for additional economy tickets, at the same cost?

No Yes Depends on circumstances

d) Does the Company/Group permit to exchange home leave trips for trips to other destinations, at the same cost?

No Yes Depends on circumstances

31. Does the Company/Group have rules regarding Exchange Rates fluctuations and their impact on assignees compensation?

No Yes Depends on circumstances

a) If Yes, how often does the company revise an exchange rate?

3 months 6 months Annually Fixed for the entire assignment
 Reviewed with the cost of living/goods and services allowance

b) If Yes, what margins of fluctuation does the company guarantee before revising the exchange rate?

+/- 5% +/- 10% Depends on circumstances other:%

32. Does the Company/Group have rules regarding special or additional Home Leaves for expatriates?

No Yes Depends on circumstances

a) If Yes, how many days a year?.....

b) To whom are they applicable?

33. Does the Company/Group have rules either written or unwritten, to address the issues of Dual Careers couples in international assignment?

No Yes Depends on circumstances

a) If Yes, what programs does it have?

Finance assistance for spouse/partner education; Job in the same company;
 Job finding assistance;
 Finance compensation for income lost (either in full or in part);
 Other:

34. Please indicate with a Crux (X) the Remuneration Components used by your Company/Group in long term assignments:

| Remuneration Components | Allowances | Premiums | Benefits | Other Benefits |
|---|--|---|---|--|
| <input type="checkbox"/> Home Country Base Salary <input type="checkbox"/> Host Country Base Salary <input type="checkbox"/> Base Salary paid wherever asked by assignee <input type="checkbox"/> Other salary/fixed components - Please indicate: | <input type="checkbox"/> Relocation allowance <input type="checkbox"/> Repatriation allowance <input type="checkbox"/> Cost of living allowance (COLA) <input type="checkbox"/> Housing allowance <input type="checkbox"/> School/education allowance <input type="checkbox"/> Hardship allowance <input type="checkbox"/> Exchange rate compensation allowance <input type="checkbox"/> Expatriation allowance <input type="checkbox"/> Tax compensation allowance <input type="checkbox"/> Other allowances - Please mention: | <input type="checkbox"/> Mission Bonus <input type="checkbox"/> "Start-Up" Bonus <input type="checkbox"/> Incentive Bonus <input type="checkbox"/> Performance Bonus <input type="checkbox"/> Other Premiums Bonus - Please mention: | <input type="checkbox"/> Travel to Home Country <input type="checkbox"/> Special leave <input type="checkbox"/> Corporate Pension Fund <input type="checkbox"/> Special Pension Fund <input type="checkbox"/> Company car at the destination <input type="checkbox"/> Paid holidays <input type="checkbox"/> Other benefits - Please mention: | <input type="checkbox"/> Club's membership <input type="checkbox"/> Utilities payment (water, gas, etc.) <input type="checkbox"/> Private medical services at destination <input type="checkbox"/> International medical services <input type="checkbox"/> Tax services <input type="checkbox"/> Career services <input type="checkbox"/> Other services - Please mention... |

V. POST-ASSIGNMENT

35. Usually, when does your Company/Group start preparing the Repatriation from a long international assignment?

| | |
|--|--|
| <input type="checkbox"/> There is not much preparation | <input type="checkbox"/> Less than 1 month before the move |
| <input type="checkbox"/> 3 months before the move | <input type="checkbox"/> 6 months before the move |
| <input type="checkbox"/> Other: | |

36. Please indicate the usual percentages for each category in your Company/Group:

| |
|---|
| ___ % Of expatriates repatriated before the end of contract for assignments failure; |
| ___ % Of expatriates having a performance below expectations due to adjustment difficulties |
| ___ % Of expatriates who do not wish to go on an international assignment again; |
| ___ % Of expatriates who intend to resign the company after the international assignment |
| ___ % Of expatriates who have resigned from the company, to work in another place, within the 2 years after being repatriated |

37. In your opinion, does your Company/Group have unsuccessful international assignments?

| | | |
|-----------------------------|------------------------------------|-------------------------------|
| <input type="checkbox"/> No | <input type="checkbox"/> Sometimes | <input type="checkbox"/> Yes. |
|-----------------------------|------------------------------------|-------------------------------|

a) If Yes, the usual responsible is the:

| | | | |
|--------------------------------------|---|-----------------------------------|--|
| <input type="checkbox"/> Assignee | <input type="checkbox"/> Spouse/partner | <input type="checkbox"/> Children | <input type="checkbox"/> Company/Group with insufficient support |
| <input type="checkbox"/> Other:..... | | | |

b) Please mention the 3 main reasons do you attribute to international assignment failures:

| Assignee | Spouse/partner | Child (dren) | Company/Group |
|---|---|---|---|
| <input type="checkbox"/> Social difficulties | <input type="checkbox"/> Social difficulties | <input type="checkbox"/> Social difficulties | <input type="checkbox"/> Training difficulties |
| <input type="checkbox"/> Intercultural difficulties | <input type="checkbox"/> Intercultural difficulties | <input type="checkbox"/> Intercultural difficulties | <input type="checkbox"/> Intercultural difficulties |
| <input type="checkbox"/> Emotional Problems | <input type="checkbox"/> Emotional Problems | <input type="checkbox"/> Emotional Problems | <input type="checkbox"/> Logistical difficulties |
| <input type="checkbox"/> Mismatch with expectations | <input type="checkbox"/> Mismatch with expectations | <input type="checkbox"/> Mismatch with expectations | <input type="checkbox"/> Job-role clarity |
| <input type="checkbox"/> Work difficulties | <input type="checkbox"/> Work difficulties | <input type="checkbox"/> School-Work difficulties | <input type="checkbox"/> Job-role autonomy |
| <input type="checkbox"/> Other:..... | <input type="checkbox"/> Other:..... | <input type="checkbox"/> Other:..... | <input type="checkbox"/> Other: |

VI. INTERNATIONAL ASSIGNMENTS ADJUSTMENT

38. In general, how long do expatriates take to feel completely adjusted in the Host Company and Country?

| | | |
|---|---|---|
| <input type="checkbox"/> Less than 3 months | <input type="checkbox"/> 3 to 6 months | <input type="checkbox"/> 6 months to 1 year |
| <input type="checkbox"/> Many never adjust completely | <input type="checkbox"/> Totally variable | <input type="checkbox"/> other:..... |

39. In your opinion what are the characteristics possessed by individuals (i.e. gender, age, experience, type of assignment etc.) who adjust easier to international assignments?

.....

.....

.....

Thank you very much!

Appendix 2

Survey Results - Descriptive Statistics

I. GENERAL INFORMATION

1. Present Position, participant's gender, and years with the company

| Present Position | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------|-----------|---------|---------------|--------------------|
| Board Member | 12 | 22,6 | 23,1 | 23,1 |
| Managing Director | 2 | 3,8 | 3,8 | 26,9 |
| VP/Functional Manager | 25 | 47,2 | 48,1 | 75,0 |
| Manager | 1 | 1,9 | 1,9 | 76,9 |
| Professional | 12 | 22,6 | 23,1 | 100,0 |
| <i>Total</i> | 52 | 98,1 | 100,0 | |
| <i>Missing</i> | 1 | 1,9 | | |
| <i>Total</i> | 53 | 100,0 | | |

| Gender | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------|-----------|---------|---------------|--------------------|
| Male | 32 | 60,4 | 61,5 | 61,5 |
| Female | 32 | 37,7 | 38,5 | 100,0 |
| <i>Total</i> | 52 | 98,1 | 100,0 | |
| <i>Missing</i> | 1 | 1,9 | | |
| <i>Total</i> | 53 | 100,0 | | |

| Years with the Company | Mean | Standard Deviation | Min. | Max. |
|------------------------|-------|--------------------|------|------|
| <i>Total</i> | 10,21 | 7,990 | 1 | 32 |
| <i>Missing</i> | 2 | | | |
| <i>Total</i> | 51 | | | |

2. Economic Sector/Industry to which belongs the Company/Group as well as the corresponding code:

| | |
|---|---|
| 0% - A. Agriculture | 11,3% - DL. Electrical and Optical Equipment |
| 0% - B. Fishing Industry and Related Activities | 3,8% - DM. Transportation Material Manufacturing |
| 0% - C. Extractive Industry | 1,9% - DN. Non-Electric Transforming Industry |
| 0% - D. Transforming Industry: | 1,9% - E. Production and Distribution of Electricity, Gas and Water |
| 1,9% - DA. Food, Beverage and Tobacco | 11,3% - F. Construction |
| 5,7% - DB. Textile | 3,8% - G. Retail (Gross and Specialized) |
| 0% - DC. Leather and Related Products | 3,8% - H. Lodgment and Restaurants |
| 5,7% - DD. Wood and Cork | 3,8% - I. Transports, Warehousing and Communications |
| 3,8% - DE. Pulp and Paper | 5,7% - J. Financing |
| 1,9% - DF. Oil and Gas | 3,8% - K. Real State, Renting and Related Services |
| 5,7% - DG. Chemicals and Syntactic Fibers | 0% - L. Public Administration, Defense and Social Security |
| 0% - DH. Rubber and Plastic Materials | 0% - M. Education |
| 3,8% - DI. Other Minerals and Non Metallic Products | 0% - N. Health and Social Care |
| 1,9% - DJ. Metallurgy and Metallic Products | 1,9% - O. Other Collective, Social or Personal Services |
| 3,8% - DK. Non-Electric Machines and Equipments | 13,2% - OO. Other Services |

3. Where is your Company/Group headquarters?

| Country of Origin | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Portugal | 32 | 60,4 | 60,4 | 60,4 |
| Spain | 2 | 3,8 | 3,8 | 64,2 |
| UK | 1 | 1,9 | 1,9 | 66,0 |
| Denmark | 1 | 1,9 | 1,9 | 67,9 |
| Germany | 4 | 7,5 | 7,5 | 75,5 |
| France | 1 | 1,9 | 1,9 | 77,4 |
| USA | 6 | 11,3 | 11,3 | 88,7 |
| Netherlands | 1 | 1,9 | 1,9 | 90,6 |

| <u>Country of Origin</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------|-----------|---------|---------------|--------------------|
| Brazil | 1 | 1,9 | 1,9 | 92,5 |
| Sweden | 2 | 3,8 | 3,8 | 96,2 |
| Belgium | 1 | 1,9 | 1,9 | 98,1 |
| Japan | 1 | 1,9 | 1,9 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

| <u>District</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------|-----------|---------|---------------|--------------------|
| Aveiro | 7 | 13,2 | 19,4 | 19,4 |
| Braga | 2 | 3,8 | 5,6 | 25,0 |
| Guarda | 1 | 1,9 | 2,8 | 27,8 |
| Lisboa | 10 | 18,9 | 27,8 | 55,6 |
| Porto | 13 | 24,5 | 36,1 | 91,7 |
| Santarém | 1 | 1,9 | 2,8 | 94,4 |
| Viana do Castelo | 1 | 1,9 | 2,8 | 97,2 |
| Madeira | 1 | 1,9 | 2,8 | 100,0 |
| <i>Total</i> | 36 | 67,9 | 100,0 | |
| <i>Missing</i> | 17 | 32,1 | | |
| <i>Total</i> | 53 | 100,0 | | |

4. In how many countries does the Company/Group operate?

| <u>Countries where operate</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|-----------|---------|---------------|--------------------|
| 1 - 3 countries | 12 | 22,6 | 22,6 | 22,6 |
| 4 - 6 countries | 8 | 15,1 | 15,1 | 37,7 |
| 7 - 10 countries | 8 | 15,1 | 15,1 | 52,8 |
| 11 - 15 countries | 5 | 9,4 | 9,4 | 62,3 |
| 16 - 25 countries | 3 | 5,7 | 5,7 | 67,9 |
| More than 25 countries | 17 | 32,1 | 32,1 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

Approximately how much are the total Company/Group Revenues?

| <u>Total Revenues</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------|-----------|---------|---------------|--------------------|
| ≤ 50 million € | 1 | 1,9 | 2,1 | 2,1 |
| 50 - 100 million € | 6 | 11,3 | 12,8 | 14,9 |
| 100 - 1.000 million € | 11 | 20,8 | 23,4 | 38,3 |
| 1.001 - 10.000 million € | 8 | 15,1 | 17,0 | 55,3 |
| 10.001 - 100.000 million € | 7 | 13,2 | 14,9 | 70,2 |
| > 100.000 million € | 14 | 26,4 | 29,8 | 100,0 |
| <i>Total</i> | 47 | 88,7 | 100,0 | |
| <i>Missing</i> | 6 | 11,3 | | |
| <i>Total</i> | 53 | 100,0 | | |

Approximately how much of Company/Group Revenues are from outside the country of origin?

| <u>Outside Revenues</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------|-----------|---------|---------------|--------------------|
| < 5% from total | 5 | 9,4 | 11,9 | 11,9 |
| 5-10% from total | 6 | 11,3 | 14,3 | 26,2 |
| 10-25% from total | 3 | 5,7 | 7,1 | 33,3 |
| 25-50% from total | 11 | 20,8 | 26,2 | 59,5 |
| 50-75% from total | 6 | 11,3 | 14,3 | 73,8 |
| > 75% from total | 11 | 20,8 | 26,2 | 100,0 |
| <i>Total</i> | 42 | 79,2 | 100,0 | |

| Outside Revenues | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------|-----------|---------|---------------|--------------------|
| <i>Missing</i> | 11 | 20,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

What is the worldwide number of employees from the Company/Group?

| Worldwide employees | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------|-----------|---------|---------------|--------------------|
| < 100 | 1 | 1,9 | 2,0 | 2,0 |
| 100-500 | 5 | 9,4 | 9,8 | 11,8 |
| 501-1.500 | 9 | 17,0 | 17,6 | 29,4 |
| 1.501 – 5.000 | 9 | 17,0 | 17,6 | 47,1 |
| 5.001-10.000 | 10 | 18,9 | 19,6 | 66,7 |
| >10.000 | 17 | 32,1 | 33,3 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

What is the total number of employees from the Company/Group in Portugal?

| Employees in Portugal | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------------|-----------|---------|---------------|--------------------|
| < 100 | 1 | 1,9 | 1,9 | 1,9 |
| 100-500 | 20 | 37,7 | 37,7 | 39,6 |
| 501-1.500 | 16 | 30,2 | 30,2 | 69,8 |
| 1.501 – 5.000 | 9 | 17,0 | 17,0 | 86,8 |
| 5.001-10.000 | 4 | 7,5 | 7,5 | 94,3 |
| >10.000 | 3 | 5,7 | 5,7 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |
| <i>Missing</i> | 1 | 1,9 | 1,9 | 1,9 |
| <i>Total</i> | 20 | 37,7 | 37,7 | 39,6 |

Approximately how many Portuguese Expatriates does the Company/Group have in other countries?

| Portuguese expatriates | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| <5 | 26 | 49,1 | 52,0 | 52,0 |
| 5-10 | 10 | 18,9 | 20,0 | 72,0 |
| 11-50 | 9 | 17,0 | 18,0 | 90,0 |
| 51-150 | 3 | 5,7 | 6,0 | 96,0 |
| 151-500 | 2 | 3,8 | 4,0 | 100,0 |
| <i>Total</i> | 50 | 94,3 | 100,0 | |
| <i>Missing</i> | 3 | 5,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

Approximately how many Expatriates does the Company/Group have in Portugal?

| Expatriates in Portugal | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|-----------|---------|---------------|--------------------|
| <5 | 34 | 34 | 77,3 | 77,3 |
| 5-10 | 4 | 7,5 | 9,1 | 86,4 |
| 11-50 | 4 | 7,5 | 9,1 | 95,5 |
| 51-150 | 2 | 3,8 | 4,5 | 100,0 |
| <i>Total</i> | 44 | 83,0 | 100,0 | |
| <i>Missing</i> | 9 | 17,0 | | |
| <i>Total</i> | 53 | 100,0 | | |

Approximately how many Female Expatriates does the Company/Group employ worldwide?

| Female Expatriates worldwide | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------------|------------------|----------------|----------------------|---------------------------|
| < 1% from total | 1 | 1,9 | 2,4 | 2,4 |
| 1-5% from total | 30 | 56,6 | 71,4 | 73,8 |
| 5-10% from total | 4 | 7,5 | 9,5 | 83,3 |
| 10-25% from total | 3 | 5,7 | 7,1 | 90,5 |
| 25-50% from total | 2 | 3,8 | 4,8 | 95,2 |
| > 50% from total | 2 | 3,8 | 4,8 | 100,0 |
| <i>Total</i> | 42 | 79,2 | 100,0 | |
| <i>Missing</i> | 11 | 20,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

Characterization of Expatriates working for your Company/Group in Portugal:

| EXPATRIATES WORKING IN PORTUGAL | | | |
|---|--|--|--|
| Age: 6,18% < 30 years 31,97% 30 – 40 years 9,35% 40 – 50 years 26,12% 50 – 55 years 1,97% 55 – 60 years 3,79% More 60 years | Education: 0% Up to 9 years 6% 9 - 12 years 7,43% Bachelorship 60,57% University Degree 5,83% MBA/Master 3,03% Other: | Marital Status: 11,06% Single 65,06% Married 0,44% Divorced 1,56% Other | Seniority in the Company Group: 5,47% Up to 2 years 14,35% 3 - 5 years 28,73% 5 - 10 years 26,59% More than 10 years |
| Position in the Company: 52,37% Expatriates in Management Positions 10,97% Expatriates in Project Management 2,35% Expatriates transferring knowledge and competencies 4,21% Expatriates in Management Development 7,60% Expatriates from the International Cadre | | | Years of International Experience: 18,43% Up to 2 years 22,50% 2 - 4 years 9,33% 4 - 7 years 22,73% More than 7 years |

Characterization of Portuguese Expatriates working for your Company/Group:

| PORTUGUESE EXPATRIATES | | | |
|--|---|--|---|
| Age: 14,55% < 30 years 44,87% 30 – 40 years 23,09% 40 – 50 years 8,02% 50 – 55 years 2,98% 55 – 60 years 0,51% More 60 years | Education: 6,57% Up to 9 years 12,45% 9 - 12 years 6,41% Bachelorship 62,40% University Degree 3,36% MBA/Master 0,43% Other: | Marital Status: 25,63% Single 57,43% Married 9,24% Divorced 0,23% Other | Seniority in the Company Group: 7,33% Up to 2 years 18,37% 3 - 5 years 38,71% 5 - 10 years 27,26% More than 10 years |
| Position in the Company: 39,73% Expatriates in Management Positions 26,83% Expatriates in Project Management 9,88% Expatriates transferring knowledge and competencies 11,19% Expatriates in Management Development 2,98% Expatriates from the International Cadre | | | Years of International Experience: 24,10% Up to 2 years 30,25% 2 - 4 years 16,13% 4 - 7 years 18,47% More than 7 years |

5. How do you access the internationalization stage of your Company/Group?

| Internationalisation Stage | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|------------------|----------------|----------------------|---------------------------|
| Export Organization | 4 | 7,5 | 8,0 | 8,0 |
| National Organization starting Internationalization | 7 | 13,2 | 14,0 | 22,0 |
| Multidomestic Organization | 13 | 24,5 | 26,0 | 48,0 |
| Global Organization | 12 | 22,6 | 24,0 | 72,0 |
| Transnational Organization | 13 | 24,5 | 26,0 | 98,0 |
| Other | 1 | 1,9 | 2,0 | 100 |
| <i>Total</i> | 50 | 94,3 | 100,0 | |
| <i>Missing</i> | 3 | 5,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

II. INTERNATIONAL ASSIGNMENT POLICIES AND PRACTICES

6. Does the Company/Group have a written International Assignment Policy?

| <u>International assignment policy</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| No | 19 | 35,8 | 35,8 | 35,8 |
| Do not know | 3 | 5,7 | 5,7 | 41,5 |
| Yes | 31 | 58,5 | 58,5 | 100 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

What are the main characteristics of the Company/Group Assignment Policy?

| <u>Assignment policy characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| One worldwide policy | 12 | 22,6 | 36,4 | 36,4 |
| Global policy with local variations | 11 | 20,8 | 33,3 | 69,7 |
| Policy applicable only to Home Country Expatriates | 4 | 7,5 | 12,1 | 81,8 |
| Policy under development | 5 | 9,4 | 15,2 | 97,0 |
| Other | 1 | 1,9 | 3,0 | 100,0 |
| <i>Total</i> | 33 | 62,3 | 100,0 | |
| <i>Missing</i> | 20 | 37,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

What are the international moves covered by the Company/Group Policy?

| <u>Assignment policy moves</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Business Trips | 25 | 47,2 | 47,2 | - |
| Expatriation/Long Term assignments | 32 | 60,4 | 60,4 | - |
| Service Commissions/Short Term Assignments | 11 | 20,8 | 20,8 | - |
| International Commuting | 8 | 15,1 | 15,1 | - |
| "Virtual Assignments" | 10 | 18,9 | 18,9 | - |
| Permanent Transfers | 11 | 20,8 | 20,8 | - |
| All the moves listed | 7 | 13,2 | 13,2 | - |
| Don't know | 0 | 0 | 0 | - |
| Other | 1 | 1,9 | 1,9 | - |

Note: Response Rate = 47

7. For the following statements, please indicate the option that best describes your Company International Work Practices, considering that: (1) means "Not Applicable" e (5) "Totally Applicable":

| <u>Sentence</u> | Mean | Std. Deviation |
|--|------|----------------|
| 1) Cost is the main factor limiting the growth of use of expatriates by the Company/Group; | 4,23 | 13,32 |
| 2) The expatriate's career development is a centralized process in the headquarters; | 5,00 | 13,26 |
| 3) The administration of expatriates from the Company/Group is outsourced to a consultancy company; | 4,92 | 18,82 |
| 4) Prior to each individual assignment the total costs are estimated; | 5,49 | 13,15 |
| 5) In the Company/Group an employee may refuse an international assignment without negative implications for his/her career development; | 5,66 | 13,11 |
| 6) In recent years the Company/Group has controled the cost associated to international assignments | 4,85 | 13,26 |
| 7) The Company/Group has an integrated program to manage performance and career development in all companies and subsidiaries | 6,51 | 18,53 |
| 8) The management development program is only used in the home country; | 3,85 | 13,37 |
| 9) The Company/Group has a "mentors" program to support expatriate's career | 5,94 | 18,65 |

| Sentence | Mean | Std. Deviation |
|--|-------------|-----------------------|
| development; | | |
| 10) The Company/Group has a "mentors" program which defines clearly the mentor duties; | 5,79 | 18,68 |
| 11) The Company/Group has a special system of performance appraisal to evaluate expatriate's performance; | 7,75 | 22,60 |
| 12) The performance appraisal method to evaluate expatriate's performance is similar to host country method; | 8,85 | 22,34 |
| 13) If one female expatriate became pregnant whilst on assignment, she would stay in the host country in line with her expatriate contract, as long as she wanted to; | 11,17 | 25,36 |
| 14) The Company/Group provides emergency repatriation in case of serious illness; | 7,17 | 13,99 |
| 15) The Company/Group provides expatriates with home country vacation entitlement, regardless of its degree of favourableness; | 5,58 | 13,16 |
| 16) The Company/Group pays expatriates all premiums net of taxes; | 9,64 | 25,81 |
| 17) The Company/Group pays a mission bonus, which depends on the performance during the assignment. No performance, no bonus | 8,02 | 22,54 |
| 18) The Company/Group pays a mission premium, which is an incentive for the assignment. Part is paid in advance and the remaining upon return. | 5,53 | 18,73 |
| 19) Generally, the home company charges the host company for all costs remaining, related with expatriate's assignments; | 7,15 | 18,42 |
| 20) At the Company/Group, Top Managers consider international assignments as beneficial career opportunities; | 6,11 | 13,03 |
| 21) In the Company/Group, in general, the job done by expatriates in the host company is more complex than the previous job they had at the home company; | 5,62 | 13,11 |
| 22) The Company/Group promises a position upon return to all expatriates; | 5,66 | 13,11 |
| 23) The Company/Group values the international experience and international assignments; | 9,75 | 22,08 |
| 24) In the Company/Group, in general, the job done by expatriates upon return is more simple and less accountable than the job they had while they were in the international assignment; | 6,13 | 18,60 |
| 25) In the Company/Group, international assignments are fundamental for transferring knowledge and competencies between the home and host companies; | 7,53 | 18,32 |
| 26) In the Company/Group, in general, the international assignees have, upon return, a positive development of their careers and social status within the Organization; | 6,77 | 18,47 |
| 27) In the Company/Group, international assignments are fundamental for exerting control from the headquarters to the subsidiaries; | 7,00 | 18,43 |
| 28) In the Company/Group, in general, everybody values expatriate's international experience; | 7,34 | 18,35 |
| 29) In the Company/Group, in general, all expatriates are welcomed and integrated by host companies' colleagues and supervisors; | 7,68 | 18,27 |
| 30) In the Company/Group there is no resistance to repatriation to home country; | 7,09 | 18,40 |
| 31) The Company/Group provides clear information about the position to be done upon return (repatriation training); | 5,15 | 13,18 |
| 32) In the Company/Group, returns do not always occur on time. Often they are postponed or anticipated by company decision with the assignee agreement; | 5,70 | 13,09 |
| 33) In the Company/Group the offer of functions to expatriates returning from international assignments has been negatively affected by headcount reductions; | 6,38 | 18,57 |
| 34) Expatriates administration simplicity is the rule. Tax support is outsourced to a specialized company; | 6,19 | 18,61 |
| 35) Expatriates are autonomous and responsible for their tax situation as well as any related liability both in their home and host countries; | 7,19 | 18,41 |
| 36) The Company/Group applies a tax equalization policy, i.e, the expatriate does not pay more taxes on the destination revenues than he or she would have paid if he or she had received the same income in the home country. | 6,70 | 18,51 |
| 37) The Company/Group keeps expatriates under their home country social security system, whenever possible; | 6,06 | 13,04 |
| 38) The Company/Group pays expatriates wherever is more tax and cost efficient | 7,98 | 22,54 |

| <u>Sentence</u> | Mean | Std. Deviation |
|---|------|----------------|
| for the company; | | |
| 39) The Company/Group minimizes the costs related with the social security through social security planning techniques. | 6,55 | 18,52 |

8. Does the Company/Group have measures to reduce costs associated with foreign assignments? In what areas?

| <u>Cost reduction measures</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|-----------|---------|---------------|--------------------|
| Compensation | 5 | 9,4 | 9,4 | - |
| Completion Bonus | 1 | 1,9 | 1,9 | - |
| Social Security costs | 1 | 1,9 | 1,9 | - |
| Hardship Allowance | 4 | 7,5 | 7,5 | - |
| Expenses | 9 | 17,0 | 17,0 | - |
| Cost of Living Allowance | 4 | 7,5 | 7,5 | - |
| Housing | 6 | 11,3 | 11,3 | - |
| Taxes | 2 | 3,8 | 3,8 | - |
| Other | 2 | 3,8 | 3,8 | - |

Note: Various response rates

9. Which expatriate's management tasks are done in the Company/Group and by which departments(s)?

| <u>Management Tasks</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------------|-----------|---------|---------------|--------------------|
| Expatriate Payroll | | | | |
| HR Department | 29 | 54,7 | 70,7 | 70,7 |
| Personnel Department | 9 | 17,0 | 22,0 | 92,7 |
| Finance Department | 3 | 5,7 | 7,3 | 100,0 |
| <i>Total</i> | 41 | 77,4 | 100,0 | |
| <i>Missing</i> | 12 | 22,6 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Expatriate Briefings | | | | |
| HR Department | 30 | 56,6 | 71,4 | 71,4 |
| Personnel Department | 7 | 13,2 | 16,7 | 88,1 |
| Finance Department | 2 | 3,8 | 4,8 | 92,9 |
| Other Department | 3 | 5,7 | 7,1 | 100,0 |
| <i>Total</i> | 42 | 79,2 | 100,0 | |
| <i>Missing</i> | 11 | 20,8 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Salary Calculations | | | | |
| HR Department | 25 | 47,2 | 64,1 | 64,1 |
| Personnel Department | 8 | 15,1 | 20,5 | 84,6 |
| Finance Department | 4 | 7,5 | 10,3 | 94,9 |
| Other Department | 2 | 3,8 | 5,1 | 100,0 |
| <i>Total</i> | 39 | 73,6 | 100,0 | |
| <i>Missing</i> | 14 | 26,4 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Liaison with tax advisors | | | | |
| HR Department | 19 | 35,8 | 55,9 | 55,9 |
| Personnel Department | 6 | 11,3 | 17,6 | 73,5 |
| Finance Department | 2 | 3,8 | 5,9 | 79,4 |
| <i>Total</i> | 7 | 13,2 | 20,6 | 100,0 |
| <i>Missing</i> | 34 | 64,2 | 100,0 | |
| <i>Total</i> | 19 | 35,8 | | |

| <u>Management Tasks</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------|-----------|---------|---------------|--------------------|
| Work Permits | | | | |
| HR Department | 26 | 49,1 | 70,3 | 70,3 |
| Personnel Department | 7 | 13,2 | 18,9 | 89,2 |
| Finance Department | 2 | 3,8 | 5,4 | 94,6 |
| Other Department | 2 | 3,8 | 5,4 | 100,0 |
| <i>Total</i> | 37 | 69,8 | 100,0 | |
| <i>Missing</i> | 16 | 30,2 | | |
| <i>Total</i> | 53 | 100,0 | | |

10. What are the more frequent Assignments in your Company/Group, by category?

| | | |
|---------------------------------|--|-------------------------------|
| 37,53% Business Trips | 33,20% Expatriation | 1,97% Commuting |
| 9,85% Service Commission | 8,89% Short Term Assignments for Training | 2,12% Virtual Missions |

11. What is the usual Assignment by Professional Group?

| <u>Professional Group</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Managers | | | | |
| Business Trips | 45 | 84,9% | 84,9% | - |
| Service Commission | 4 | 7,5% | 7,5% | - |
| Expatriation | 26 | 49,1% | 49,1% | - |
| International Commuting | 9 | 17,0% | 17,0% | - |
| Virtual Mission | 8 | 15,1% | 15,1% | - |
| Short Term Assignments for Training | 10 | 18,9% | 18,9% | - |
| Not Applicable | 1 | 1,9% | 1,9% | - |
| Professionals | | | | |
| Business Trips | 22 | 41,5% | 41,5% | - |
| Service Commission | 12 | 22,6% | 22,6% | - |
| Expatriation | 21 | 39,6% | 39,6% | - |
| International Commuting | 7 | 13,2% | 13,2% | - |
| Virtual Mission | 2 | 3,8% | 3,8% | - |
| Short Term Assignments for Training | 23 | 43,4% | 43,4% | - |
| Not Applicable | 1 | 1,9% | 1,9% | - |
| Supervisors | | | | |
| Business Trips | 27 | 50,9% | 50,9% | - |
| Service Commission | 7 | 13,2% | 13,2% | - |
| Expatriation | 18 | 34,0% | 34,0% | - |
| International Commuting | 5 | 9,4% | 9,4% | - |
| Virtual Mission | 3 | 5,7% | 5,7% | - |
| Short Term Assignments for Training | 17 | 32,1% | 32,1% | - |
| Not Applicable | 3 | 5,7% | 5,7% | - |
| Graduate Training & Development | | | | |
| Business Trips | 13 | 24,5% | 24,5% | - |
| Service Commission | 6 | 11,3% | 11,3% | - |
| Expatriation | 21 | 39,6% | 39,6% | - |
| International Commuting | 5 | 9,4% | 9,4% | - |
| Virtual Mission | 1 | 1,9% | 1,9% | - |
| Short Term Assignments for Training | 21 | 39,6% | 39,6% | - |
| Not Applicable | 4 | 7,5% | 7,5% | - |

Note: Various response rates

12. What is the average duration of each assignment?

| <u>Assignment Type</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|-----------|---------|---------------|--------------------|
| Business Trips | | | | |
| Up to 1 week | 36 | 67,9 | 75,0 | 75,0 |
| Up to 2 weeks | 9 | 17,0 | 18,8 | 93,8 |
| Up to 1 month | 1 | 1,9 | 2,1 | 95,8 |
| Up to 6 months | 2 | 3,8 | 4,2 | 100,0 |
| <i>Total</i> | 48 | 90,6 | 100,0 | |
| <i>Missing</i> | 5 | 9,4 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Expatriation | | | | |
| More than 2 years | 7 | 13,2 | 15,6 | 15,6 |
| Up to 3 years | 23 | 43,4 | 51,1 | 66,7 |
| More than 3 years | 7 | 13,2 | 15,6 | 82,2 |
| Up to 5 years | 3 | 5,7 | 6,7 | 88,9 |
| Other | 5 | 9,4 | 11,1 | 100,0 |
| <i>Total</i> | 45 | 84,9 | 100,0 | |
| <i>Missing</i> | 8 | 15,1 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Service Commission | | | | |
| Up to 1 month | 4 | 7,5 | 20,0 | 20,0 |
| Up to 3 months | 3 | 5,7 | 15,0 | 35,0 |
| Up to 6 months | 5 | 9,4 | 25,0 | 60,0 |
| Up to 12 months | 1 | 1,9 | 5,0 | 65,0 |
| Up to 2 years | 7 | 13,2 | 35,0 | 100,0 |
| <i>Total</i> | 20 | 37,7 | 100,0 | |
| <i>Missing</i> | 33 | 62,3 | | |
| <i>Total</i> | 53 | 100,0 | | |
| International Commuting | | | | |
| Weekly | 6 | 11,3 | 50,0 | 50,0 |
| Bi-weekly | 2 | 3,8 | 16,7 | 66,7 |
| Monthly | 1 | 1,9 | 8,3 | 75,0 |
| Other | 3 | 5,7 | 25,0 | 100,0 |
| <i>Total</i> | 12 | 22,6 | 100,0 | |
| <i>Missing</i> | 41 | 77,4 | | |
| <i>Total</i> | 53 | 100,0 | | |

13. How has evolved in the last two years the following Assignments in your Company/Group?

| <u>Past Evolution</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Business Trips | | | | |
| Unchanged | 10 | 18,9 | 24,4 | 24,4 |
| Decreased | 2 | 3,8 | 4,9 | 29,3 |
| Increased | 29 | 54,7 | 70,7 | 100,0 |
| <i>Total</i> | 41 | 77,4 | 100,0 | |
| <i>Missing</i> | 12 | 22,6 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Service Commission | | | | |
| Unchanged | 2 | 3,8 | 9,5 | 9,5 |
| Decreased | 7 | 13,2 | 33,3 | 42,9 |
| Increased | 9 | 17,0 | 42,9 | 85,7 |
| Do Not Know | 3 | 5,7 | 14,3 | 100,0 |
| <i>Total</i> | 21 | 39,6 | 100,0 | |

| Past Evolution | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|-----------|---------|---------------|--------------------|
| <i>Missing</i> | 32 | 60,4 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Expatriation | | | | |
| Unchanged | 9 | 17,0 | 22,0 | 22,0 |
| Decreased | 9 | 17,0 | 22,0 | 43,9 |
| Increased | 22 | 41,5 | 53,7 | 97,6 |
| Do Not Know | 1 | 1,9 | 2,4 | 100,0 |
| <i>Total</i> | 41 | 77,4 | 100,0 | |
| <i>Missing</i> | 12 | 22,6 | | |
| <i>Total</i> | 53 | 100,0 | | |
| International Commuting | | | | |
| Unchanged | 5 | 9,4 | 33,3 | 33,3 |
| Decreased | 4 | 7,5 | 26,7 | 60,0 |
| Increased | 4 | 7,5 | 26,7 | 86,7 |
| Do Not Know | 2 | 3,8 | 13,3 | 100,0 |
| <i>Total</i> | 15 | 28,3 | 100,0 | |
| <i>Missing</i> | 38 | 71,7 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Virtual Mission | | | | |
| Unchanged | 2 | 3,8 | 16,7 | 16,7 |
| Decreased | 3 | 5,7 | 25,0 | 41,7 |
| Increased | 6 | 11,3 | 50,0 | 91,7 |
| Do Not Know | 1 | 1,9 | 8,3 | 100,0 |
| <i>Total</i> | 12 | 22,6 | 100,0 | |
| <i>Missing</i> | 41 | 77,4 | | |
| <i>Total</i> | 53 | 100,0 | | |
| International Transfer | | | | |
| Unchanged | 7 | 13,2 | 41,2 | 41,2 |
| Decreased | 3 | 5,7 | 17,6 | 58,8 |
| Increased | 4 | 7,5 | 23,5 | 82,4 |
| Do Not Know | 3 | 5,7 | 17,6 | 100,0 |
| <i>Total</i> | 17 | 32,1 | 100,0 | |
| <i>Missing</i> | 36 | 67,9 | | |
| <i>Total</i> | 53 | 100,0 | | |

How will evolve in the next two years the following Assignments in your Company/Group?

| Future Evolution | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Business Trips | | | | |
| Unchanged | 10 | 18,9 | 26,3 | 26,3 |
| Decreased | 5 | 9,4 | 13,2 | 39,5 |
| Increased | 22 | 41,5 | 57,9 | 97,4 |
| Do Not Know | 1 | 1,9 | 2,6 | 100,0 |
| <i>Total</i> | 38 | 71,7 | 100,0 | |
| <i>Missing</i> | 15 | 28,3 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Service Commission | | | | |
| Unchanged | 4 | 7,5 | 19,0 | 19,0 |
| Decreased | 4 | 7,5 | 19,0 | 38,1 |
| Increased | 10 | 18,9 | 47,6 | 85,7 |
| Do Not Know | 3 | 5,7 | 14,3 | 100,0 |
| <i>Total</i> | 21 | 39,6 | 100,0 | |

| Future Evolution | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|------------------|----------------|----------------------|---------------------------|
| <i>Missing</i> | 32 | 60,4 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Expatriation | | | | |
| Unchanged | 11 | 20,8 | 29,7 | 29,7 |
| Decreased | 7 | 13,2 | 18,9 | 48,6 |
| Increased | 17 | 32,1 | 45,9 | 94,6 |
| Do Not Know | 2 | 3,8 | 5,4 | 100,0 |
| <i>Total</i> | 37 | 69,8 | 100,0 | |
| <i>Missing</i> | 16 | 30,2 | | |
| <i>Total</i> | 53 | 100,0 | | |
| International Commuting | | | | |
| Unchanged | 2 | 3,8 | 14,3 | 14,3 |
| Decreased | 3 | 5,7 | 21,4 | 35,7 |
| Increased | 7 | 13,2 | 50,0 | 85,7 |
| Do Not Know | 2 | 3,8 | 14,3 | 100,0 |
| <i>Total</i> | 14 | 26,4 | 100,0 | |
| <i>Missing</i> | 39 | 73,6 | | |
| <i>Total</i> | 53 | 100,0 | | |
| Virtual Mission | | | | |
| Unchanged | 1 | 1,9 | 6,7 | 6,7 |
| Decreased | 4 | 7,5 | 26,7 | 33,3 |
| Increased | 9 | 17,0 | 60,0 | 93,3 |
| Do Not Know | 1 | 1,9 | 6,7 | 100,0 |
| <i>Total</i> | 15 | 28,3 | 100,0 | |
| <i>Missing</i> | 38 | 71,7 | | |
| <i>Total</i> | 53 | 100,0 | | |
| International Transfer | | | | |
| Unchanged | 7 | 13,2 | 43,8 | 43,8 |
| Decreased | 3 | 5,7 | 18,8 | 62,5 |
| Increased | 4 | 7,5 | 25,0 | 87,5 |
| Do Not Know | 2 | 3,8 | 12,5 | 100,0 |
| <i>Total</i> | 16 | 30,2 | 100,0 | |
| <i>Missing</i> | 37 | 69,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

14. In your Company/Group has ever occur an International Transfer?

| International Transfer | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|------------------|----------------|----------------------|---------------------------|
| Yes | 34 | 64,2 | 85,0 | 85,0 |
| No | 4 | 7,5 | 10,0 | 95,0 |
| Do Not Know | 2 | 3,8 | 5,0 | 100,0 |
| <i>Total</i> | 40 | 75,5 | 100,0 | |
| <i>Missing</i> | 13 | 24,5 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, please mention the main reasons for the international transfer?

| Reasons for International Transfer | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|------------------|----------------|----------------------|---------------------------|
| Expatriate demand | 27 | 50,9 | 50,9 | - |
| No other job available | 7 | 13,2 | 13,2 | - |
| Cost constraints | 0 | 0 | 0 | - |
| Simplify Administration | 0 | 0 | 0 | - |
| End of expatriation contract | 1 | 1,9 | 1,9 | - |

| Reasons for International Transfer | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|------------------|----------------|----------------------|---------------------------|
| Other | 3 | 5,7 | 5,7 | - |

Note: Various response rates

III. PRE-DEPARTURE – ASSIGNMENT PREPARATION

15. What is the most common contractual form for international assignments in your Company/Group?

| Contractual Forms | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| Addendum to the original employment contract | 18 | 34,0 | 34,0 | - |
| Assignment contract | 2 | 3,8 | 3,8 | - |
| New employment contract with host company | 11 | 20,8 | 20,8 | - |
| Letter of Assignment | 11 | 20,8 | 20,8 | - |
| New employment contract with home company | 1 | 1,9 | 1,9 | - |
| Depends on circumstances | 17 | 32,1 | 32,1 | - |
| Other: | 2 | 3,8 | 3,8 | - |

Note: Various response rates

16. Please sign the importance your Company/Group attributes to each of the following Selection Criteria, considering: (1) "Not Important at all" e (5) "Highly Important":

| Selection Criteria | Mean | Std | Variance |
|---|-------------|------------|-----------------|
| Adaptability of spouse & family | 3,70 | 1,232 | 1,518 |
| Spouse's positive opinion | 3,34 | 1,256 | 1,577 |
| Stable marriage | 2,81 | 1,191 | 1,419 |
| Willingness of spouse to live abroad | 2,96 | 1,021 | 1,042 |
| Expatriate Emotional stability | 4,19 | 0,900 | 0,810 |
| Expatriate Flexibility | 4,53 | 0,584 | 0,341 |
| Willingness to change | 4,62 | 0,795 | 0,633 |
| Stress Resistance | 4,15 | 0,978 | 0,956 |
| Organizational ability | 4,13 | 0,992 | 0,983 |
| Managerial ability | 4,32 | 0,837 | 0,700 |
| International experience | 3,34 | 1,089 | 1,186 |
| Openness | 4,19 | 0,770 | 0,593 |
| Experience with the Company/Group Culture | 4,19 | 0,992 | 0,984 |
| Administrative skills | 3,19 | 1,191 | 1,418 |
| Industriousness | 4,43 | 0,715 | 0,511 |
| Nonjudgmentalness | 3,11 | 1,165 | 1,358 |
| Courtesy & tact | 3,60 | 0,876 | 0,768 |
| Empathy | 3,60 | 0,925 | 0,855 |
| Integrity | 4,28 | 0,826 | 0,683 |
| Assignee motivation | 4,68 | 0,471 | 0,222 |
| Knowledge of local language(s) | 3,96 | 1,042 | 1,085 |
| Previous professional experience | 3,98 | 0,897 | 0,804 |
| Job knowledge | 4,17 | 0,892 | 0,796 |
| Interest in foreign cultures | 3,60 | 1,097 | 1,203 |
| Expatriate Education Background | 3,62 | 0,848 | 0,720 |
| Know the Company/Group practices and procedures | 4,26 | 0,765 | 0,586 |

Note: Response rate = 47

17. What is the most common expatriate's Selection Method in your Company/Group?

| <u>Selection Methods</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|-----------|---------|---------------|--------------------|
| Previous work experience in the Company/Group | 44 | 83,0 | 83,0 | - |
| Selection Interview | 25 | 47,2 | 47,2 | - |
| Assessment Center | 3 | 5,7 | 5,7 | - |
| Knowledge of the destination country and/or company | 17 | 32,1 | 32,1 | - |
| Other | 8 | 15,1 | 15,1 | - |

Note: Various response rates

18. Has your Company/Group experienced difficulties in attracting employees to accept international assignments?

| <u>Attracting Difficulties</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|-----------|---------|---------------|--------------------|
| No | 35 | 66,0 | 70,0 | 70,0 |
| Sometimes | 4 | 7,5 | 8,0 | 78,0 |
| Yes | 11 | 20,8 | 22,0 | 100,0 |
| <i>Total</i> | 50 | 94,3 | 100,0 | |
| <i>Missing</i> | 3 | 5,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, these difficulties, in the last 2 years, have changed?

| <u>Attracting Difficulties Behaviour</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Unchanged | 14 | 26,4 | 77,8 | 77,8 |
| Decreased | 2 | 3,8 | 11,1 | 88,9 |
| Increased | 2 | 3,8 | 11,1 | 100,0 |
| <i>Total</i> | 18 | 34,0 | 100,0 | |
| <i>Missing</i> | 35 | 66,0 | | |
| <i>Total</i> | 53 | 100,0 | | |

Have employees ever turned down offers of international assignment?

| <u>Turn Down Assignments</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------------|-----------|---------|---------------|--------------------|
| No | 13 | 24,5 | 28,3 | 28,3 |
| Sometimes | 21 | 39,6 | 45,7 | 73,9 |
| Yes | 12 | 22,6 | 26,1 | 100,0 |
| <i>Total</i> | 46 | 86,8 | 100,0 | |
| <i>Missing</i> | 7 | 13,2 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, what are the most common motives?

| <u>Motives for turning down</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------------|-----------|---------|---------------|--------------------|
| Assignment duration | 6 | 11,3 | 11,3 | - |
| Family concerns | 29 | 54,7 | 54,7 | - |
| Destination Country/Company | 2 | 3,8 | 3,8 | - |
| Perception of Career Risk | 2 | 3,8 | 3,8 | - |
| Dual Career Problems | 11 | 20,8 | 20,8 | - |
| Compensation | 4 | 7,5 | 7,5 | - |
| Other | 2 | 3,8 | 3,8 | - |

Note: Various response rates

19. Does your Company/Group provide a pre-assignment visit to the host location?

| <u>Pre-Assignment Visit</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------------------|------------------|----------------|----------------------|---------------------------|
| No | 5 | 9,4 | 9,4 | 9,4 |
| Sometimes | 9 | 17,0 | 17,0 | 26,4 |
| Yes | 39 | 73,6 | 73,6 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

If yes, when is it applicable?

| <u>Pre-Assignment visit characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| The pre-assignment visit is applicable only before long term assignments | 16 | 30,2 | 44,4 | 44,4 |
| Is always provided, including spouse | 6 | 11,3 | 16,7 | 61,1 |
| Depends on circumstances | 3 | 5,7 | 8,3 | 69,4 |
| Is always provided | 8 | 15,1 | 22,2 | 91,7 |
| The pre-assignment visit is limited to 1 week | 3 | 5,7 | 8,3 | 100,0 |
| <i>Total</i> | 36 | 67,9 | 100,0 | |
| <i>Missing</i> | 17 | 32,1 | | |
| <i>Total</i> | 53 | 100,0 | | |

20. Does your Company/Group have rules regarding the transportation of personal goods to the host country?

| <u>Transportation of personal goods</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| Depends on circumstances | 18 | 34,0 | 48,6 | 48,6 |
| Full cost, without limits | 2 | 3,8 | 5,4 | 54,0 |
| Only pays transportation costs of personal goods | 10 | 18,9 | 27,0 | 81,0 |
| Reimburses up to the limit of 1 monthly salary | 3 | 5,7 | 8,1 | 89,1 |
| Reimburses up to the limit of: _____ € | 2 | 3,8 | 5,4 | 94,5 |
| Other | 2 | 3,8 | 5,4 | 100,0 |
| <i>Total</i> | 37 | 69,8 | 100,0 | |
| <i>Missing</i> | 16 | 30,2 | | |
| <i>Total</i> | 53 | 100,0 | | |

21. Does your Company/Group have rules regarding the Transportation and Quarantine of pets?

| <u>Transportation of pets</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------------|------------------|----------------|----------------------|---------------------------|
| No | 45 | 84,9 | 84,9 | 84,9 |
| Sometimes | 2 | 3,8 | 3,8 | 88,7 |
| Yes | 6 | 11,3 | 11,3 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

If yes, what are characteristics?

| <u>Transportation of pets</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| Depends on circumstances | 5 | 9,4 | 71,4 | 71,4 |
| Full cost, without limits | 1 | 1,9 | 14,3 | 85,7 |
| Reimburses up to the limit of 1 monthly salary | 1 | 1,9 | 14,3 | 100,0 |
| <i>Total</i> | 7 | 13,2 | 100,0 | |
| <i>Missing</i> | 46 | 86,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

22. Does your Company/Group provide training before starting an international assignment?

| <u>Training before an International Assignment</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| No | 7 | 13,2 | 13,7 | 13,7 |
| Sometimes | 15 | 28,3 | 29,4 | 43,1 |
| Yes | 29 | 54,7 | 56,9 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, what type of program, duration and to whom is applicable?

| <u>Training characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------------|-----------|---------|---------------|--------------------|
| Language Training Assignee | 23 | 43,4 | 43,4 | - |
| Language Training Spouse | 8 | 15,1 | 15,1 | - |
| Language Training Family | 8 | 15,1 | 15,1 | - |
| Cross-cultural Training Assignee | 5 | 9,4 | 9,4 | - |
| Cross-cultural Training Spouse | 2 | 3,8 | 3,8 | - |
| Cross-cultural Training Family | 4 | 7,5 | 7,5 | - |
| Technical Training Assignee | 9 | 17,0 | 17,0 | - |
| Technical Training Spouse | 0 | 0 | 0 | - |
| Technical Training Family | 0 | 0 | 0 | - |
| Management Training Assignee | 7 | 13,2 | 13,2 | - |
| Management Training Spouse | 0 | 0 | 0 | - |
| Management Training Family | 0 | 0 | 0 | - |
| Other Training Assignee | 1 | 1,9 | 1,9 | - |

Note: Various response rates

| <u>Training Duration - Hours</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------------|-----------|---------|---------------|--------------------|
| 50 hours | 1 | 1,9 | 1,9 | - |
| 90 hours | 2 | 3,8 | 3,8 | - |
| 150 hours | 1 | 1,9 | 1,9 | - |
| 300 hours | 1 | 1,9 | 1,9 | - |

Note: Various response rates

IV. DURING ASSIGNMENT

23. Does your Company/Group reimburse or pay for temporary expenses in the host country?

| <u>Temporary expenses</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| No | 2 | 3,8 | 3,8 | 3,8 |
| Sometimes | 14 | 26,4 | 26,4 | 30,2 |
| Yes | 37 | 69,8 | 69,8 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | 3,8 | 3,8 |
| <i>Total</i> | 14 | 26,4 | 26,4 | 30,2 |

If yes, please mention:

| <u>Temporary expenses characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Full cost, without limits | 2 | 3,8 | 5,3 | 5,3 |
| Reimburses temporary expenses up to 1 month after the arrival; | 8 | 15,1 | 21,1 | 26,3 |
| Reimburses temporary expenses up to 2 weeks after the arrival; | 1 | 1,9 | 2,6 | 28,9 |
| Depends on circumstances; | 23 | 43,4 | 60,5 | 89,5 |

| <u>Temporary expenses characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| Other | 4 | 7,5 | 10,5 | 100,0 |
| <i>Total</i> | 38 | 71,7 | 100,0 | |
| <i>Missing</i> | 15 | 28,3 | | |
| <i>Total</i> | 53 | 100,0 | | |

Are these rules applicable to the relocation from the host country to home country?

| <u>Similar to relocation rules</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|------------------|----------------|----------------------|---------------------------|
| No | 5 | 9,4 | 10,2 | 10,2 |
| Depends on circumstances | 17 | 32,1 | 34,7 | 44,9 |
| Yes | 27 | 50,9 | 55,1 | 100,0 |
| <i>Total</i> | 49 | 92,5 | 100,0 | |
| <i>Missing</i> | 4 | 7,5 | | |
| <i>Total</i> | 53 | 100,0 | | |

24. What are the Remuneration Methods adopted by the Company/Group for long assignments?

| <u>Remuneration methods</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| Home country market rate | 7 | 13,2 | 13,7 | 13,7 |
| Host country market rate; | 8 | 15,1 | 15,7 | 29,4 |
| Expatriate market rate | 1 | 1,9 | 2,0 | 31,4 |
| Mixture of two or more methods mentioned here; | 19 | 35,8 | 37,3 | 68,6 |
| Balance sheet/Build Up /Net income guarantee; | 8 | 15,1 | 15,7 | 84,3 |
| Actual remuneration + cost reimburse up to some limits | 5 | 9,4 | 9,8 | 94,1 |
| Other | 3 | 5,7 | 5,9 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

What is the place of payment?

| <u>Place of payment</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------------|------------------|----------------|----------------------|---------------------------|
| Home country | 14 | 26,4 | 30,4 | 30,4 |
| Host country | 17 | 32,1 | 37,0 | 67,4 |
| Mixture | 15 | 28,3 | 32,6 | 100,0 |
| <i>Total</i> | 46 | 86,8 | 100,0 | |
| <i>Missing</i> | 7 | 13,2 | | |
| <i>Total</i> | 53 | 100,0 | | |

What is the currency of payment?

| <u>Currency of payment</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------------|------------------|----------------|----------------------|---------------------------|
| Home country | 9 | 17,0 | 45,0 | 45,0 |
| Host country | 11 | 20,8 | 55,0 | 100,0 |
| <i>Total</i> | 20 | 37,7 | 100,0 | |
| <i>Missing</i> | 33 | 62,3 | | |
| <i>Total</i> | 53 | 100,0 | | |

The same method is applicable to shorter assignments?

| <u>Similar remuneration method to shorter assignments</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|------------------|----------------|----------------------|---------------------------|
| No | 10 | 18,9 | 47,6 | 47,6 |
| Depends on circumstances | 2 | 3,8 | 9,5 | 57,1 |

| <u>Similar remuneration method to shorter assignments</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|-----------|---------|---------------|--------------------|
| Yes | 9 | 17,0 | 42,9 | 100,0 |
| <i>Total</i> | 21 | 39,6 | 100,0 | |
| <i>Missing</i> | 32 | 60,4 | | |
| <i>Total</i> | 53 | 100,0 | | |

25. What are the sources of information used in the Company/Group to determine expatriate's compensation?

| <u>Sources of information</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Management decision | 24 | 45,3 | 45,3 | - |
| Equity with home country colleagues | 3 | 5,7 | 5,7 | - |
| Expatriates market rate information from specialized companies | 15 | 28,3 | 28,3 | - |
| Salary before departure | 11 | 20,8 | 20,8 | - |
| Equity with host country colleagues | 15 | 28,3 | 28,3 | - |
| Multiple of previous salary | 3 | 5,7 | 5,7 | - |
| Other | 5 | 9,4 | 9,4 | - |

Note: Various response rates

26. Does the Company/Group have rules to provide housing at the destination?

| <u>Housing at destination</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| No | 5 | 9,4 | 9,4 | 9,4 |
| Depends on circumstances | 17 | 32,1 | 32,1 | 41,5 |
| Yes | 31 | 58,5 | 58,5 | 100,0 |
| <i>Total</i> | 53 | 100,0 | 100,0 | |

If yes, please mention:

| <u>Housing characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|-----------|---------|---------------|--------------------|
| Housing furnished and rented by the company directly | 15 | 28,3 | 45,5 | 45,5 |
| Pays a monthly rent allowance | 12 | 22,6 | 36,4 | 81,8 |
| Reimburse housing costs up to a maximum monthly amount that depends on locations and family size; | 5 | 9,4 | 15,2 | 97,0 |
| Other | 1 | 1,9 | 3,0 | 100,0 |
| <i>Total</i> | 33 | 62,3 | 100,0 | |
| <i>Missing</i> | 20 | 37,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

27. Does the Company/Group have rules to provide Company Car at the destination?

| <u>Company car at destination</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------------|-----------|---------|---------------|--------------------|
| No | 6 | 11,3 | 11,5 | 11,5 |
| Depends on circumstances | 13 | 24,5 | 25,0 | 36,5 |
| Yes | 33 | 62,3 | 63,5 | 100,0 |
| <i>Total</i> | 52 | 98,1 | 100,0 | |
| <i>Missing</i> | 1 | 1,9 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, please mention:

| <u>Company car characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Company car attributed in line with host country market and local company practices; | 19 | 35,8 | 57,6 | 57,6 |

| <u>Company car characteristics</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Company car attributed in line with home country and company; | 7 | 13,2 | 21,2 | 78,8 |
| Company car attributed whenever possible to prevent its temporary acquisition by expatriates | 4 | 7,5 | 12,1 | 90,9 |
| Other | 3 | 5,7 | 9,1 | 100,0 |
| <i>Total</i> | 33 | 62,3 | 100,0 | |
| <i>Missing</i> | 20 | 37,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

28. Do the Company/Group use Cost of Living Indices in the calculation of assignment remuneration packages?

| <u>Cost of Living Indices</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| No | 17 | 32,1 | 32,7 | 32,7 |
| Sometimes | 12 | 22,6 | 23,1 | 55,8 |
| Yes | 23 | 43,4 | 44,2 | 100,0 |
| <i>Total</i> | 52 | 98,1 | 100,0 | |
| <i>Missing</i> | 1 | 1,9 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, what is the practice of the company in case of relocation to a host country with a cost of living lower than the home country?

| <u>Cost of Living Adjustment</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------------|-----------|---------|---------------|--------------------|
| Make a full negative adjustment; | 10 | 18,9 | 43,5 | 43,5 |
| Ignore | 11 | 20,8 | 47,8 | 91,3 |
| Cap the deduction | 1 | 1,9 | 4,3 | 95,7 |
| Other | 1 | 1,9 | 4,3 | 100,0 |
| <i>Total</i> | 23 | 43,4 | 100,0 | |
| <i>Missing</i> | 30 | 56,6 | | |
| <i>Total</i> | 53 | 100,0 | | |

How often does the company review and/or adjust the cost of living allowance?

| <u>Cost of Living Review</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------------|-----------|---------|---------------|--------------------|
| Fixed for the assignment | 5 | 9,4 | 20,0 | 20,0 |
| Annually | 19 | 35,8 | 76,0 | 96,0 |
| Other | 1 | 1,9 | 4,0 | 100,0 |
| <i>Total</i> | 25 | 47,2 | 100,0 | |
| <i>Missing</i> | 28 | 52,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

29. Does the Company/Group have rules related with the payment/reimbursement of School Expenses of expatriate's dependent child?

| <u>School expenses</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------|-----------|---------|---------------|--------------------|
| No | 21 | 39,6 | 41,2 | 41,2 |
| Depends on circumstances | 12 | 22,6 | 23,5 | 64,7 |
| Yes | 18 | 34,0 | 35,3 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, who is considered?

| <u>School expenses for:</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--|-----------|---------|---------------|--------------------|
| Dependant children (as either in full-time education as under 18 years old); | 6 | 11,3 | 30,0 | 30,0 |
| Dependant children, including the dependant children of live-in partners | 14 | 26,4 | 70,0 | 100,0 |
| <i>Total</i> | 20 | 37,7 | 100,0 | |
| <i>Missing</i> | 33 | 62,3 | | |
| <i>Total</i> | 53 | 100,0 | | |

What types of education are funded?

| <u>Education funded</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| Primary (1° to 6°) | 1 | 1,9 | 4,8 | 4,8 |
| Secondary (from 9° to 11/12°) | 9 | 17,0 | 42,9 | 47,6 |
| All referred | 11 | 20,8 | 52,4 | 100,0 |
| <i>Total</i> | 21 | 39,6 | 100,0 | |
| <i>Missing</i> | 32 | 60,4 | | |
| <i>Total</i> | 53 | 100,0 | | |

30. Does the Company/Group have rules related with home leave trips?

| <u>Home trips</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------|-----------|---------|---------------|--------------------|
| No | 3 | 5,7 | 5,9 | 5,9 |
| Depends on circumstances | 13 | 24,5 | 25,5 | 31,4 |
| Yes | 35 | 66,0 | 68,6 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, how many home trips are paid a year for the assignee working alone?

| <u>Assignee alone</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------|-----------|---------|---------------|--------------------|
| 1 trip/year | 7 | 13,2 | 20,6 | 20,6 |
| 2 trips/year | 7 | 13,2 | 20,6 | 41,2 |
| 3 trips/year | 4 | 7,5 | 11,8 | 52,9 |
| More than 3 trips/year | 9 | 17,0 | 26,5 | 79,4 |
| Other | 7 | 13,2 | 20,6 | 100,0 |
| <i>Total</i> | 34 | 64,2 | 100,0 | |
| <i>Missing</i> | 19 | 35,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, how many home trips are paid a year for the assignee and family?

| <u>Assignee and family</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------------|-----------|---------|---------------|--------------------|
| 1 trip/year | 17 | 32,1 | 48,6 | 48,6 |
| 2 trips/year | 8 | 15,1 | 22,9 | 71,4 |
| 3 trips/year | 1 | 1,9 | 2,9 | 74,3 |
| More than 3 trips/year | 2 | 3,8 | 5,7 | 80,0 |
| No home trips paid by the company | 1 | 1,9 | 2,9 | 82,9 |
| Other | 6 | 11,3 | 17,1 | 100,0 |
| <i>Total</i> | 35 | 66,0 | 100,0 | |
| <i>Missing</i> | 18 | 34,0 | | |
| <i>Total</i> | 53 | 100,0 | | |

What is the class of travel the company provides?

| <u>Class of travel</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------------|-----------|---------|---------------|--------------------|
| Business class | 3 | 5,7 | 6,7 | 6,7 |
| Economy class | 21 | 39,6 | 46,7 | 53,3 |
| Depends on assignee position | 15 | 28,3 | 33,3 | 86,7 |
| Depends on travel duration | 6 | 11,3 | 13,3 | 100,0 |
| <i>Total</i> | 45 | 84,9 | 100,0 | |
| <i>Missing</i> | 8 | 15,1 | | |
| <i>Total</i> | 53 | 100,0 | | |

Does the Company/Group permit trade business class tickets for additional economy tickets, at the same cost?

| <u>Tickets class exchange</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| No | 23 | 43,4 | 52,3 | 52,3 |
| Depends on circumstances | 14 | 26,4 | 31,8 | 84,1 |
| Yes | 7 | 13,2 | 15,9 | 100,0 |
| <i>Total</i> | 44 | 83,0 | 100,0 | |
| <i>Missing</i> | 9 | 17,0 | | |
| <i>Total</i> | 53 | 100,0 | | |

Does the Company/Group permit to exchange home leave trips for trips to other destinations, at the same cost?

| <u>Destination tickets exchange</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------------|-----------|---------|---------------|--------------------|
| No | 24 | 45,3 | 53,3 | 53,3 |
| Depends on circumstances | 16 | 30,2 | 35,6 | 88,9 |
| Yes | 5 | 9,4 | 11,1 | 100,0 |
| <i>Total</i> | 45 | 84,9 | 100,0 | |
| <i>Missing</i> | 8 | 15,1 | | |
| <i>Total</i> | 53 | 100,0 | | |

31. Does the Company/Group have rules regarding exchange rates fluctuations and their impact on assignees compensation?

| <u>Exchange rate fluctuations</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------------|-----------|---------|---------------|--------------------|
| No | 26 | 49,1 | 51,0 | 51,0 |
| Depends on circumstances | 10 | 18,9 | 19,6 | 70,6 |
| Yes | 15 | 28,3 | 29,4 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, how often does the company revise an exchange rate?

| <u>Exchange rate revision</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|-----------|---------|---------------|--------------------|
| 3 months | 1 | 1,9 | 6,7 | 6,7 |
| 6 months | 2 | 3,8 | 13,3 | 20,0 |
| Annually | 5 | 9,4 | 33,3 | 53,3 |
| Fixed for the entire assignment | 2 | 3,8 | 13,3 | 66,7 |
| Reviewed with the cost of living/goods and services allowance | 5 | 9,4 | 33,3 | 100,0 |
| <i>Total</i> | 15 | 28,3 | 100,0 | |
| <i>Missing</i> | 38 | 71,7 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, what margins of fluctuation does the company guarantee before revising the exchange rate?

| <u>Exchange rate fluctuation</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------------------|-----------|---------|---------------|--------------------|
| +/- 5% | 1 | 1,9 | 7,1 | 7,1 |
| +/- 10% | 6 | 11,3 | 42,9 | 50,0 |
| Depends on circumstances | 5 | 9,4 | 35,7 | 85,7 |
| Other | 2 | 3,8 | 14,3 | 100,0 |
| <i>Total</i> | 14 | 26,4 | 100,0 | |
| <i>Missing</i> | 39 | 73,6 | | |
| <i>Total</i> | 53 | 100,0 | | |

32. Does the Company/Group have rules regarding special or additional home leaves for expatriates?

| <u>Home Leaves</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------------|-----------|---------|---------------|--------------------|
| No | 28 | 52,8 | 54,9 | 54,9 |
| Depends on circumstances | 18 | 34,0 | 35,3 | 90,2 |
| Yes | 5 | 9,4 | 9,8 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, how many days?

| <u>How many days</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------------------|-----------|---------|---------------|--------------------|
| 5 days | 1 | 1,9 | 20,0 | 20,0 |
| 7 days | 1 | 1,9 | 20,0 | 40,0 |
| 8 days | 1 | 1,9 | 20,0 | 60,0 |
| 27 days | 1 | 1,9 | 20,0 | 80,0 |
| 120 days | 1 | 1,9 | 20,0 | 100,0 |
| <i>Total</i> | 5 | 9,4 | | |
| <i>Missing</i> | 48 | 90,6 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes to whom?

| <u>To whom</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------|-----------|---------|---------------|--------------------|
| To home country | 1 | 1,9 | | |
| To all family | 1 | 1,9 | | |

33. Does the Company/Group have rules either written or unwritten, to address the issues of Dual Careers couples in international assignment?

| <u>Rules for dual careers</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------------|-----------|---------|---------------|--------------------|
| No | 28 | 52,8 | 57,1 | 57,1 |
| Depends on circumstances | 13 | 24,5 | 26,5 | 83,7 |
| Yes | 8 | 15,1 | 16,3 | 100,0 |
| <i>Total</i> | 49 | 92,5 | 100,0 | |
| <i>Missing</i> | 4 | 7,5 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, what programs does it have?

| <u>Dual career rules</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------------|-----------|---------|---------------|--------------------|
| Job finding assistance; | 3 | 5,7 | 33,3 | 33,3 |
| Job in the same company; | 3 | 5,7 | 33,3 | 66,7 |
| Finance compensation for income | 2 | 3,8 | 22,2 | 88,9 |

| Dual career rules | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------------|-----------|---------|---------------|--------------------|
| lost (either in full or in part); | | | | |
| Other | 1 | 1,9 | 11,1 | 100,0 |
| <i>Total</i> | 9 | 17,0 | 100,0 | |
| <i>Missing</i> | 44 | 83,0 | | |
| <i>Total</i> | 53 | 100,0 | | |

34. What are the remuneration components used by the Company/Group in long term assignments:

| Remuneration components | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|-----------|---------|---------------|--------------------|
| Remuneration | | | | |
| Home Country Base Salary | 34 | 64,2% | 64,2% | - |
| Host Country Base Salary | 31 | 58,5% | 58,5% | - |
| Base Salary paid wherever asked by assignee | 2 | 3,8% | 3,8% | - |
| Other salary/ fixed components | 4 | 7,5% | 7,5% | - |
| Allowances | | | | |
| Relocation allowance | 34 | 64,2% | 64,2% | - |
| Repatriation allowance | 19 | 35,8% | 35,8% | - |
| Cost of living allowance (COLA) | 21 | 39,6% | 39,6% | - |
| Housing allowance | 31 | 58,5% | 58,5% | - |
| School/education allowance | 19 | 35,8% | 35,8% | - |
| Hardship allowance | 9 | 17,0% | 17,0% | - |
| Exchange rate compensation allowance | 8 | 15,1% | 15,1% | - |
| Expatriation allowance | 13 | 24,5% | 24,5% | - |
| Tax compensation allowance | 5 | 9,4% | 9,4% | - |
| Other allowances | 1 | 1,9% | 1,9% | - |
| Premiums | | | | |
| Mission Bonus | 13 | 24,5% | 24,5% | - |
| “Start-Up” Bonus | 2 | 3,8% | 3,8% | - |
| Incentive Bonus | 6 | 11,3% | 11,3% | - |
| Performance Bonus | 29 | 54,7% | 54,7% | - |
| Other Premiums Bonus | 3 | 5,7% | 5,7% | - |
| Benefits | | | | |
| Travel to Home Country | 45 | 84,9% | 84,9% | - |
| Special leave | 8 | 15,1% | 15,1% | - |
| Corporate Pension Fund | 12 | 22,6% | 22,6% | - |
| Special Pension Fund | 2 | 3,8% | 3,8% | - |
| Company car at the destination | 27 | 50,9% | 50,9% | - |
| Paid holidays | 2 | 3,8% | 3,8% | - |
| Other benefits | 45 | 84,9% | 84,9% | - |
| Other Benefits | | | | |
| Club’s membership | 8 | 15,1% | 15,1% | - |
| Utilities payment (water, gas, etc.) | 12 | 22,6% | 22,6% | - |
| Private medical services at destination | 2 | 3,8% | 3,8% | - |
| International medical services | 27 | 50,9% | 50,9% | - |
| Tax services | 2 | 3,8% | 3,8% | - |
| Career services | 1 | 1,9% | 1,9% | - |
| Other services | 3 | 5,7% | 5,7% | - |

Note: Various response rates

V. POST ASSIGNMENT

35. Usually, when does the Company/Group start preparing repatriation from a long international assignment?

| <u>Repatriation preparation</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------------------|-----------|---------|---------------|--------------------|
| There is not much preparation | 18 | 34,0 | 36,7 | 36,7 |
| Less than 1 month before the move | 1 | 1,9 | 2,0 | 38,8 |
| 3 months before the move | 11 | 20,8 | 22,4 | 61,2 |
| 6 months before the move | 11 | 20,8 | 22,4 | 83,7 |
| Other | 8 | 15,1 | 16,3 | 100,0 |
| <i>Total</i> | 49 | 92,5 | 100,0 | |
| <i>Missing</i> | 4 | 7,5 | | |
| <i>Total</i> | 53 | 100,0 | | |

36. Indicate the usual percentages for each category in your Company/Group:

| |
|--|
| 4,567% of expatriates repatriated before the end of contract for assignments failure; |
| 4,967% of expatriates having a performance below expectations due to adjustment difficulties |
| 10,345% of expatriates who do not wish to go on an international assignment again; |
| 1,069% of expatriates who have resigned from the company, to work in another place, within the 2 years after being repatriated |
| 0,726% of expatriates who admit to resign the company after the international assignment |

37. In your opinion, does your Company/Group have unsuccessful international assignments?

| <u>Unsuccessful assignments</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------------|-----------|---------|---------------|--------------------|
| No | 24 | 45,3 | 47,1 | 47,1 |
| Depends on circumstances | 24 | 45,3 | 47,1 | 94,1 |
| Yes | 3 | 5,7 | 5,9 | 100,0 |
| <i>Total</i> | 51 | 96,2 | 100,0 | |
| <i>Missing</i> | 2 | 3,8 | | |
| <i>Total</i> | 53 | 100,0 | | |

If yes, the usual responsible is:

| <u>Accountable for Unsuccessful assignments</u> | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|-----------|---------|---------------|--------------------|
| Assignee | 8 | 15,1 | 15,1 | - |
| Spouse | 2 | 3,8 | 3,8 | - |
| Children | 1 | 1,9 | 1,9 | - |
| Company/Group | 5 | 9,4 | 9,4 | - |
| Other | 1 | 1,9 | 1,9 | - |

Note: Various response rates

Mention the 3 main reasons do you attribute to international assignment failures:

| <u>Reasons for Unsuccessful assignments</u> | Frequency | Percent | Valid Percent |
|---|-----------|---------|---------------|
| Assignee | | | |
| Social difficulties | 10 | 18,9 | 18,9 |
| Intercultural difficulties | 14 | 26,4 | 26,4 |
| Emotional Problems | 9 | 17,0 | 17,0 |
| Mismatch with expectations | 19 | 35,8 | 35,8 |
| Work difficulties | 15 | 28,3 | 28,3 |
| Other | 1 | 1,9 | 1,9 |
| Spouse | | | |
| Social difficulties | 11 | 20,8 | 20,8 |

| Reasons for Unsuccessful assignments | Frequency | Percent | Valid Percent |
|---|------------------|----------------|----------------------|
| Intercultural difficulties | 13 | 24,5 | 24,5 |
| Emotional Problems | 15 | 28,3 | 28,3 |
| Mismatch with expectations | 9 | 17,0 | 17,0 |
| Work difficulties | 1 | 1,9 | 1,9 |
| Other | 0 | 0 | 0 |
| Children | | | |
| Social difficulties | 11 | 20,8 | 20,8 |
| Intercultural difficulties | 12 | 22,6 | 22,6 |
| Emotional Problems | 9 | 17,0 | 17,0 |
| Mismatch with expectations | 1 | 1,9 | 1,9 |
| School-work difficulties | 11 | 20,8 | 20,8 |
| Other | 0 | 0 | 0 |
| Company/Group | | | |
| Training difficulties | 5 | 9,4 | 9,4 |
| Intercultural difficulties | 14 | 26,4 | 26,4 |
| Logistics difficulties | 2 | 3,8 | 3,8 |
| Job-role clarity | 11 | 20,8 | 20,8 |
| Job-role autonomy | 3 | 5,7 | 5,7 |
| Other | 2 | 3,8 | 3,8 |

VI. INTERNATIONAL ASSIGNMENT ADJUSTMENT

38. In general, how long do expatriates take to feel completely adjustment in the Host Company and country?

| Time to adjust | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------------|------------------|----------------|----------------------|---------------------------|
| Totally variable | 23 | 43,4 | 44,2 | 44,2 |
| Less than 3 months | 10 | 18,9 | 19,2 | 63,5 |
| 3 to 6 months | 13 | 24,5 | 25,0 | 88,5 |
| 6 months to 1 year | 6 | 11,3 | 11,5 | 100,0 |
| <i>Total</i> | 52 | 98,1 | 100,0 | |
| <i>Missing</i> | 1 | 1,9 | | |
| <i>Total</i> | 53 | 100,0 | | |

39. What are the characteristics possessed by individuals who adjust easier to international assignments?

| Characteristics to adjust | |
|----------------------------------|--|
| Age | <i>Young: generally under 40's</i> |
| Sex | <i>Male</i> |
| Marital status | <i>Stable marriage with young children</i> |
| Experience | <i>Experience in the company and in the job. International experience is not essential</i> |
| Mission | <i>Specific assignments with a specific goal are usually better succeed</i> |

Appendix 3

Data Analysis

Data analysis was done with the support of the computer software SPSS 10.0–Statistical Package for Social Sciences.

A preliminary data analysis was done based on frequencies and descriptive statistics mainly summarized on Appendix 2. Probability plots and tests of normality were performed to compare the observed values with the expected from a normal distribution. As most variables were not interval and did not follow a normal distribution, we could not use parametric tests.

The selection of non-parametric tests:

Kolmogorov-Smirnov (KS) test – This test was used since it is appropriate when data is at least ordinal and the research situation demands for a comparison between the sample distribution and a theoretical distribution. Under these conditions, the KS one-sample test is more powerful than the χ^2 (Chi-Square) test (Emory & Cooper, 1991).

Spearman's rho correlation – It is a non-parametric measure of association for ordinal data that does not require the assumption of a bivariate normal distribution. Being adequate for ordinal variables is also applicable to interval variables when the normality assumption is not achieved. It was selected since this measure is robust to distribution asymmetries and to the existence of outliers (Emory & Cooper, 1991).

Factor analysis:

Factor analysis has the objective of reducing a large number of variables to a smaller number of factors, which account for the variance in the data as a whole. In this study, we perform a factor analysis to explore data, in line with the methodology followed by Arthur & Bennett (1995). An orthogonal factor rotation was done to assure that each selection criteria loads on to as few factors as possible.

As mentioned, the analysis of factor loadings remains interpretational, in line with previous literature review.

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ERRATA

TEXTO PRINCIPAL

Página 9 – Cabeçalho da Tabela – “Foreign Direct Investment (FDI) - Outflows and stocks” – instead of – “Inflows and Outflows of foreign direct investment”

Página 17

4º parágrafo – 2ª linha – “ Next a set of thirty-nine sentences”, instead of “twenty-six sentences”.

Página 32

2º parágrafo – 1ª linha – Only 25 companies (47,2% - instead of 38,4%) have rules regarding exchange rates fluctuations....

APPENDIX 2

Página 70

Female Frequency = 20 (37,7%), instead of 32

Página 72

Companies with less than 5 expatriates in Portugal = 34 (64%), instead of 34%

Página 74 e 75 – Correção das médias e desvios padrões

7. For the following statements, please indicate the option that best describes your Company International Work Practices, considering that: (1) means “Not Applicable” e (5) “Totally Applicable”:

| <u>Sentence</u> | <u>Mean</u> | <u>Std. Deviation</u> |
|---|-------------|-----------------------|
| 1) Cost is the main factor limiting the growth of use of expatriates by the Company/Group; | 2,40 | 1,225 |
| 2) The expatriate’s career development is a centralized process in the headquarters; | 3,19 | 1,645 |
| 3) The administration of expatriates from the Company/Group is outsourced to a consultancy company; | 1,24 | 0,681 |
| 4) Prior to each individual assignment the total costs are estimated; | 3,69 | 1,229 |
| 5) In the Company/Group an employee may refuse an international assignment without negative implications for his/her career development; | 3,87 | 1,103 |
| 6) In recent years the Company/Group has controled the cost associated to international assignments | 3,04 | 1,427 |
| 7) The Company/Group has an integrated program to manage performance and career development in all companies and subsidiaries | 2,88 | 1,275 |
| 8) The management development program is only used in the home country; | 2,02 | 1,146 |
| 9) The Company/Group has a “mentors” program to support expatriate’s career development; | 2,29 | 1,285 |
| 10) The Company/Group has a “mentors” program which defines clearly the mentor duties; | 2,14 | 1,249 |
| 11) The Company/Group has a special system of performance appraisal to evaluate expatriate’s performance; | 2,28 | 1,400 |
| 12) The performance appraisal method to evaluate expatriate’s performance is similar to host country method; | 3,44 | 1,514 |
| 13) If one female expatriate became pregnant whilst on assignment, she would stay in the host country in line with her expatriate contract, as long as she wanted to; | 4,00 | 1,291 |
| 14) The Company/Group provides emergency repatriation in case of serious illness; | 4,63 | 1,048 |
| 15) The Company/Group provides expatriates with home country vacation entitlement, regardless of its degree of favourableness; | 3,79 | 1,473 |
| 16) The Company/Group pays expatriates all premiums net of taxes; | 2,35 | 1,362 |

| <u>Sentence</u> | Mean | Std. Deviation |
|--|------|----------------|
| 17) The Company/Group pays a mission bonus, which depends on the performance during the assignment. No performance, no bonus | 2,56 | 1,445 |
| 18) The Company/Group pays a mission premium, which is an incentive for the assignment. Part is paid in advance and the remaining upon return. | 1,86 | 1,249 |
| 19) Generally, the home company charges the host company for all costs remaining, related with expatriate's assignments; | 3,55 | 1,540 |
| 20) At the Company/Group, Top Managers consider international assignments as beneficial career opportunities; | 4,33 | 0,810 |
| 21) In the Company/Group, in general, the job done by expatriates in the host company is more complex than the previous job they had at the home company; | 3,83 | 0,964 |
| 22) The Company/Group promises a position upon return to all expatriates; | 3,87 | 1,085 |
| 23) The Company/Group values the international experience and international assignments; | 4,40 | 0,606 |
| 24) In the Company/Group, in general, the job done by expatriates upon return is more simple and less accountable than the job they had while they were in the international assignment; | 2,49 | 1,206 |
| 25) In the Company/Group, international assignments are fundamental for transferring knowledge and competencies between the home and host companies; | 3,94 | 1,047 |
| 26) In the Company/Group, in general, the international assignees have, upon return, a positive development of their careers and social status within the Organization; | 3,16 | 1,027 |
| 27) In the Company/Group, international assignments are fundamental for exerting control from the headquarters to the subsidiaries; | 3,39 | 1,133 |
| 28) In the Company/Group, in general, everybody values expatriate's international experience; | 3,75 | 1,055 |
| 29) In the Company/Group, in general, all expatriates are welcomed and integrated by host companies' colleagues and supervisors; | 4,10 | 0,806 |
| 30) In the Company/Group there is no resistance to repatriation to home country; | 3,49 | 1,027 |
| 31) The Company/Group provides clear information about the position to be done upon return (repatriation training); | 3,35 | 1,046 |
| 32) In the Company/Group, returns do not always occur on time. Often they are postponed or anticipated by company decision with the assignee agreement; | 3,90 | 0,975 |
| 33) In the Company/Group the offer of functions to expatriates returning from international assignments has been negatively affected by headcount reductions; | 2,75 | 1,412 |
| 34) Expatriates administration simplicity is the rule. Tax support is outsourced to a specialized company; | 2,55 | 1,474 |
| 35) Expatriates are autonomous and responsible for their tax situation as well as any related liability both in their home and host countries; | 3,59 | 1,388 |
| 36) The Company/Group applies a tax equalization policy, i.e. the expatriate does not pay more taxes on the destination revenues than he or she would have paid if he or she had received the same income in the home country. | 3,10 | 1,578 |
| 37) The Company/Group keeps expatriates under their home country social security system, whenever possible; | 4,27 | 0,952 |
| 38) The Company/Group pays expatriates wherever is more tax and cost efficient for the company; | 2,52 | 1,313 |
| 39) The Company/Group minimizes the costs related with the social security through social security planning techniques. | 2,92 | 1,294 |

Cumprimentos,
Luisa Helena Pinto
Porto, 13 de Outubro de
2005