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Expatriate success or failure

- A study on expatriate assumption

Abstract

The purpose of this study is to examine the perceptions that the expatriates have on what personal characteristics a good expatriate should possess as well as their view on cross-cultural training (CCT). The study was conducted on two groups of expatriates from European companies – those who took part in some form of CCT when preparing for the assignment abroad and those who did not. The results show that some of the views are shared by both groups of the respondents. However, there are some difference in the way both groups think, which might depend on the fact that the two companies focus on different factors regarding the view on what features are important for an expatriate to have and how s/he should be prepared for the job. The three main conclusions of this study is that expatriates need to be motivated, willing and able to adjust and flexible to better acclimate themselves to new situations and environments; the family should be incorporated in the training to improve the chances of success; finally, CCT is perceived by the respondents as a good tool for expatriates going on assignment. This study can be seen as an introduction to more detailed studies on the effectiveness of CCT and decrease of expatriate failure.

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DEFINITIONS

The definitions stated below are taken from the sources used in our thesis to develop and form our own definitions of the terms that will be used in this thesis.

CCT

Tung generally defines cross-cultural training (CCT) as a process that improves an individual's skills to work and live in a different culture.[1] CCT can be conducted in many ways, but the general intention is to help employees to develop better skills of handling the new environment before and after leaving on assignment.

Expatriate

Zakaria used Bechtel Group Inc´s definition of an expatriate in his article about CCT. They defined an expatriate "as an employee relocated from one country to work in another country".[2] In this thesis our respondents will be viewed as expatriates, as they are answering our questions on the basis of their past experiences as employees working abroad.

Multinational companies

Miroshnik describes a multinational company (MNC) as many subsidiary divisions working as separate business units in many different countries.[3] In a MNC is where we find the majority of expatriates working in a multicultural environment.

Host country

The host country is best explained as the country where the expatriate is assigned to work and live in. The host country locals are the inhabitants of that country.

Repatriation

The word is defined in Webster's online dictionary as "the act of returning to the country of origin."[4] This will in our thesis bare the meaning of expatriates returning home to work in their country of origin.

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[1] Rosalie L. Tung, "Selection and training of personnel for overseas assignments" *Columbia Journal of World Business 16*, (1981): 70.

[2] Norhayati Zakaria, "The effects of cross-cultural training on the acculturation process of the global workforce" *International Journal of Manpower 21*, *6*, (2000): 494-495.

[3] Victoria Miroshnik, "Culture and international management: a review" *Journal of Management Development 21*, *7*, (2002): 522.

[4] http://www.websters-online-dictionary.org/definition/repatriation, 2005-12-10, 17:05.

1. INTRODUCTION

This chapter will be an introduction to provide readers with understanding of our preconceptions and opinions about culture and cross-cultural training (CCT). Moreover, the chapter will also help to familiarise the reader with these subjects.

With the increasing globalisation that has constantly developed during the last decades, companies have to face new challenges in order to stay competitive and adjust themselves to the changing global market. The proceeding globalisation has made companies expand their organizations across country borders and create new business units in a multicultural setting. Companies become multinational, and at the same time multicultural and culture is a very important part of the interaction between people from different countries. Culture is multifaceted and complicated, which Black and Mendenhall illustrates well in the quotation below:

> *Culture consists of patterns of behaviours that are acquired and transmitted by symbols over time, which become generally shared within a group and are communicated to new members of the group in order to serve as a cognitive guide or blueprint for future actions.* (Black and Mendenhall: 1990, p. 120)

This means that people from different cultures have different patterns of behaviour, beliefs and of viewing the world. Therefore, cross-cultural problems can arise when a person with one cultural background tries to interact with a person from another cultural background.[5] What is more is that cultures are not bound to a country, but can exist across countries and there can also be multiple cultures within a country.[6] These issues are also connected to the problems an employee can encounter when relocating to another country to work as an expatriate. Culture influences multinational companies (MNCs) in many ways. The increasing importance of culture in today's business world is caused by the escalating communication that occurs between the parent company and companies established in other cultures. Global competitive advantage for these MNCs can therefore be achieved with proper knowledge of how to handle cross-cultural interactions. Giving the employees the ability to interact properly should be an incentive for companies to provide employees with CCT.[7] Employees might not be aware of the fact that their cultural background can influence the way they act and communicate. It does not seem surprising that expatriates encounter feelings of a culture chock when their ways of interacting are challenged in the new environment.[8] This is why CCT is an important tool to help employees understand the differences and help them to avoid unsuitable actions and misreading others.

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[5] Stewart J. Black and Mark Mendenhall, "Cross-cultural training effectiveness: a review and a theoretical framework for future research" *Academy of Management Review 15*, *1*, (1990): 120.

[6] Nina Jacob, "Cross-cultural investigations: emerging concepts" *Journal of organizational change management 18*, *5*, (2005): 515.

[7] Jan Selmer, "Adjustment of Western European vs North American expatriate managers in China" *Personnel review 30*, *1*, (2001): 6.

[8] Marion Estienne, "The art of cross-cultural management: an alternative approach to training and development" *Journal of European industrial training 21*, *1*, (1997): 14.

1.1 Grouping cultures

Nowadays, more and more companies spread their business units throughout the world by creating global networks and opening new departments in different countries. This opened a door for the need of a new type of employees, the expatriates. Culture has great influence on peoples' behaviour, motivations and approach to work and therefore it is essential for the future expatriate employee to learn about the culture of his/her host country to perform effectively and create profit for the company.

There are many differences between cultures and in order to be able to train expatriate employees, researchers have developed diverse models on how to group cultures. The authors presented below have dealt with the issues of cultural differences both for educational and training purposes.

1.1.1 Hofstede

According to Hofstede (2001), there are five "dimensions of values" that explain the cultural differences between countries, namely:

1. Individualism – collectivism
2. High/low power distance
3. Uncertainty avoidance
4. Masculinity – femininity
5. Short term – long term orientation

The first one – individualism/collectivism - explains how the individuals in a given culture prefer to act in order to deal with organisational matters. In some countries, the focus is on individual freedom whereas in others, people find it important to act as a part of a group. The dimension of power distance indicates how people in a given culture perceive differences in power. Uncertainty avoidance describes how a society perceives the uncertainty characteristic of the future and whether its members are willing or not to take risks. The fourth dimension is masculinity-femininity, which describes the character of a country. In more masculine cultures ambition, assertiveness and winning are very important while feminine cultures value the "common good" more. The short term/long term orientation dimension was added to the first four later. The short term oriented cultures value the past and present a lot. The long-term oriented cultures focus on the future.[9] Hofstede also concludes in the summary of his book, "Culture's consequences", that there is no universal solution for managerial problems in multicultural companies. The book is still used as the most reliable source of theory for research around cultural differences. However, one has to keep in mind that Hofstede's data was collected and analysed during the 1960s and 1970s and therefore it can be argued that certain cultural aspects of the countries have changed since that time.

1.1.2 Trompenaars

In the 1950s Fiedler developed a categorization of people either preferring task-oriented or relationship-oriented leadership styles. Trompenaars has thereafter made use of Fiedler's two categories and applied it to categorise different countries.[10] As Trompenaars made use of another person's research meant for other purposes, his model of grouping cultures can seem

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[9] Geert Hofstede, Culture's Consequences: comparing values, behaviours, institutions and organizations across nations (London: Sage Publications, 2001), 83-84, 145-148, 209-210, 279-280, 351-354.

[10] Jacob, "Cross-cultural investigations: emerging concepts", 517, 519.

limited. As also in the case of Hofstede, Fiedler's data was collected and processed a long time ago, this can pose the problem of cultural changes up until the time of writing this thesis.

1.1.3 Hall and Hall

Hall and Hall show yet another approach towards grouping cultures. They divide the cultures into low-context and high-context ones. In high-context cultures there is a connection between their private life and work and communication is based not only on words but it includes body language and behaviour. People in low-context cultures separate their private life from that at work. It is also important for them to express oneself accurately as the words are the only means to carry the meaning. The latest edition of their book is from the year 1990, which means that the data collected in it might not be relevant any longer.[11]

1.1.4 Lewis

In his book, "When cultures collide", Richard D. Lewis created yet another division of different cultures. He classified them into three 'rough' categories[12] :

1. Linear-active
2. Multi-active
3. Reactive

Members in cultures characterized by the term linear-active are those who prefer to deal with one thing/project at a time, they create different kinds of schedules, plan their actions carefully etc. Multi-actives, on the contrary, can do several things at once and when planning, they usually consider the importance of given actions rather than a tight time schedule. Reactive cultures are also called 'listening' cultures. Their members place great weight on courtesy and politeness, and they listen carefully to others' opinions. However, Lewis's model does not measure an employees cultural attributes by just viewing his/her country of origin. The employee will be able to analyse and adjust to another culture more effectively by taking a test that will determine to what degree s/he is linear-active, multi-active or reactive. By determining this, the employee can then start working at learning the similarities and differences between his/her behaviour and culture to that of the host country's.[13]

1.1.5 An overview of the four models

As all four researchers suggests, it is wrong to think of the world whose inhabitants are all the same. Instead they have made an effort to group these differences in order to enable smooth interaction between people. However, as all people do not think alike there are bound to be different opinions on how to group cultures. We have presented the four models that we found where more frequently used in literature. They give a clearer picture of how complicated it can be to establish and categorise culture (see figure 1.1 below).

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[11] Sonja Treven, "International training: the training of managers for assignment abroad" *Education and training 45*, *8/9*, (2003): 552.

[12] Richard D. Lewis, *When cultures collide: leading across cultures* (London: Nicholas Brealey Intenational, 2006), 29, 32.

[13] Ibid., 29-37.

Figure 1.1: **Overview of the four cultural models**

Hofstede	*Trompenaars*	*Hall & Hall*	*Lewis*
▪ 1960-1970 ▪ Five "dimensions of value". ▪ Mostly used in academic papers researching cultural differences.	▪ Fiedler made the model in the 1950's. ▪ Two dimensions. ▪ Originally for grouping cultures in the USA.	▪ 1950's ▪ Two dimensions. ▪ For global use.	▪ Started in the 1970's and the data is always developing. ▪ Three dimensions. ▪ For global use, but mostly used in their own training.

In our opinion these models surely serve as tools of teaching, but some better than others. First of all, since Hall and Hall, Hofstede and Trompenaars material was gathered and analysed about 30-50 years ago, Lewis's data seems more reliable as his model is continuously readjusted through time. Secondly, both Hall and Hall and Trompenaars only worked with two dimensions to separate cultures. These models seem very limited to be able to grasp the many aspects of culture. Hofstede's model uses five dimensions but still seems more limited as Lewis's model uses three dimensions in many various degrees. To conclude, Lewis's model is in our opinion the superior model to be used for educational purposes which this thesis will be about.

1.2 The importance of cross-cultural training

Above we have shown that cultures have many different aspects that can be hard to get a hold of. Subsequently CCT can be difficult, in the sense that cultures are hard to study because of the difficulty to categorise them. However, below you will find a review of studies done on CCT.

1.2.1 Studies about cross-cultural training

Even though many articles indicate that expatriates adjustment problems in new cultural settings are related to cultural factors, there are still many sceptics. These sceptics do not believe much in CCT, but choose to rely on learning-by-doing instead,[14] where the expatriates are sent abroad without cultural training and left to rely on themselves. This approach does not include much or any cultural training and the selection process of expatriates is based on their technical abilities and past track record. These companies believe that what works domestically should also work abroad,[15] as opposed to using CCT and choosing expatriates

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[14] Jan Selmer, "Cross-cultural training and expatriate adjustment in China: Western joint venture managers" *Personnel Review 34*, *1*, (2005): 71.

[15] Black and Mendenhall, "Cross-cultural training effectiveness: a review and a theoretical framework for future research", 114.

based on cross-cultural skills. There have been studies made that show that employees who are sent abroad without any CCT still tend to adjust their behaviour according to the customs and rules of the new culture. In a study about Finnish expatriates in Indonesia it has been shown that the employees "actively adjust their leadership style" when they interact with employees from the host-country. But they also felt they did not need to completely change their behaviour.[16] However, there has also been a study made among US, Western European and Japanese MNCs that indicated that the two foremost reasons for not providing expatriates with training were, that the assignment abroad was planned for a very short time and seemed unnecessary to waste that kind of time and money, but also that they employed local human capital that did not need any cultural training.[17]

However, there are many studies that on the contrary point to the fact that it can be very important to train expatriates. For instance, in Tung's research from 1987, she showed that Japanese and European companies that rigorously planned and trained their expatriates coped better in a multicultural environment. Meanwhile, American companies that did not plan to train their employees to the same extent found that they where not able to adjust to the new environment as well as the Japanese and European groups did. Reasons for this can be explained by advantages in both Europe and Japan[18]:

- More rigorous planning and performance evaluation of the assignments.
- More rigorous training of expatriates, especially in Japan.
- Providing a strong support-system for expatriates.
- Better assessing the qualification of expatriates.
- Limiting work mobility.

European companies also have the advantages of having an international orientation, they have been working on the international market for a longer time and they have better language skills. Japanese companies have the advantages of their choice of assignments and the role the family plays.[19]

In 1990 Black and Mendenhall also wrote a review of previous studies done about the effectiveness of CCT. They reviewed 29 empirical studies done about CCT. Their first findings supported their main argument that training gives an expatriate the ability to more easily adjust to a new culture and as a result of that, be able to perform better. Overall, the reviewed data of the 29 studies that used control groups (about half of the studies) or longitudinal design (only six of the 29 studies) showed positive results for training and the dependant variables: adjustment, skill development, performance. This gave the review results some reliability as it had empirical support, which was not found in previous reviews or studies. But Black and Mendenhall still stressed the importance of additional longitudinal studies to in fact determine the positive results and conclusions over time. Therefore, they felt

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[16] Vesa Suutari *et al.* "The challenge of cross-cultural leadership interaction: Finnish expatriates in Indonesia" *Career Development International 7*, *7*, (2002): 424-425.

[17] Rosalie L. Tung, "Selection and training procedures of U.S., European, and Japanese multinationals" *California management review* 25, 1, (1982): 66.

[18] Rosalie L. Tung, "Expatriate assignments: enhancing success and minimizing failure" *Academy of management Executive 1*, *2*, (1987): 119, 123.

[19] Ibid., 119, 123.

that their empirical results only gave cautious support for the fact that training has a positive result in cultural effectiveness.[20]

In Kealy and Protheroe's research from 1996, they also pointed out the problem with studies not using longitudinal design or multi-source evaluations. However, they did acknowledge the importance of an expatriate's ability to communicate and be receptive to different cultures. What they could not find from their review of previously done studies was if CCT actually provided expatriates with these skills. In the past it has been recognised that performance abroad has been improved after CCT, but Kealy and Protheroe question if it was in fact the training that had been the decisive factor. Previous studies did not have longitudinal design which purpose is to prove that CCT is effective over time. The studies had also solely been based on self-reports, whereas evaluations made by supervisors, customers and co-workers would give a broader picture of an employees abilities.[21]

On the other hand, today, about ten - fifteen years after Kealy and Protheroe's study, there are several studies that have used longitudinal design and other sources of information than self-reports. These studies have a more positive angle on the effectiveness of CCT, for example a study done by Holopainen and Björkman in 2005. In this study they used a sample of 104 expatriates that had been on the job for a minimum of 12 months (as the initial cultural shock should have disappeared after the first six months, they wanted the expatriates to be well acclimated). In addition to self-reports they also had access to superior-reports. The study showed that an employee's ability to communicate with co-workers strongly influences work performance. But this particular study only partially pointed to the importance of expatriate's personal skills when adjusting in a cross-cultural environment.[22] In a study done by Selmer in 2005 the subjects had spent an average of 9.55 years in another country, and most of the 165 respondents in China originally came from the US (28%). In his study Selmer found that CCT helps employees to adjust working in international settings. But he argues that these findings are still too minor to be sure if training really helps employees in a cross-cultural environment.[23]

Some of these studies only vaguely support the importance of CCT, however that can be due to the short period of time that CCT has existed as a training tool in companies. We still believe that CCT is very important for expatriates to take part in. It is important for them to get a sense of the country, culture and workplace they are going to be assigned to. Further along in the future we are positive that our statements will be proven when additional studies have been done to prove its importance.

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[20] Black and Mendenhall, "Cross-cultural training effectiveness: a review and a theoretical framework for future research", 115, 118-120, 132-133.

[21] Daniel J. Kealy and David R. Protheroe, "The effectiveness of cross-cultural training for expatriates: an assessment of the literature on the issue" *International Journal of Intercultural Relations 20, 2*, (1996): 155, 159, 161.

[22] Jonna Holopainen and Ingmar Björkman, "The personal characteristics of the successful expatriate" *Personnel Review 34, 1*, (2005): 42-43, 45, 47.

[23] Selmer, "Cross-cultural training and expatriate adjustment in China: Western joint venture managers", 73-73, 76, 78.

1.3 Problem background

Today globalization is becoming an increasingly vital issue. It concerns not only people as individuals, but also every company that wants to adjust to this new international environment. This concerns foremost MNCs that exceed the geographical boundaries to conquer new markets that emerge in different parts of the world. This kind of expansion entails that employees should learn how to adapt their work to the new situation. It is the employees that interact with people from all over the world on a daily basis, and they should learn how to handle different cultures to be effective in their work.

Globalisation is therefore creating a need for a new perspective on interaction, namely interaction from a international view. The bases for this new perspective are the differences between cultures that employees encounter when they are sent on assignment abroad - these employees are called expatriates. Every culture has its own characteristics specific for its region, for example food, customs, norms, beliefs etc. Culture influences how people act, motivate and adjust themselves to work. This is why it is imperative for expatriates that work abroad to familiarise with the country's culture and thereby understand the differences between his/her cultural background and the host country.

As mentioned before culture is multifaceted and complicated, the word culture entails numerous elements that surely many do not think about. This can in particular create problems for expatriates that work in a multicultural environment. These elements can cause conflict between employees when problems arise and are not met with understanding and insight of how people from different cultures can act. Figure 1.2 illustrates some of the different elements that culture can consist of.[24]

Figure 1.2: **The Cultural Iceberg**
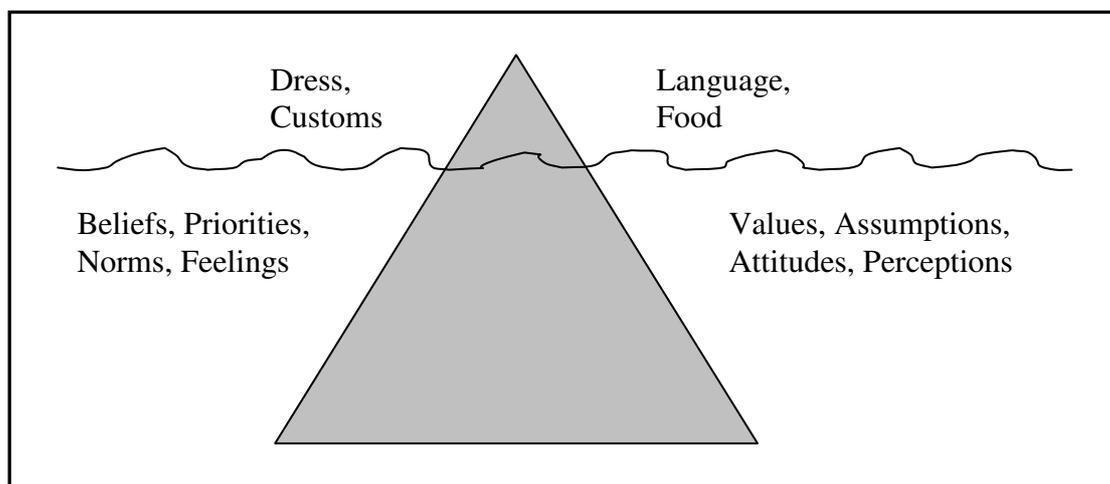
Source: Darby 1995, p. 14.

The cultural aspects above the water level (displayed in figure 1.2) are those most often included in CCT programs for expatriates' pre-departure training. However, when living in a different culture, employees have to learn to understand the behaviour and motivations of

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[24] Roger Darby, "Developing the Euromanager: managing in a multicultural environment" *European Business Review 95*, *1*, (1995): 14.

their co-workers in order to interact with them effectively. They need to get acquainted with the cultural aspects below the water level to get a complete picture of the environment they are supposed to work in. The cultural aspects below the waterline are a part of the CCT programs conducted post arrival, or they are not spoken of at all. This can be due to the fact that it takes a long time for the companies to adapt to the changing environment and accept the fact that cross-cultural employee training is a vital issue for the development of the company.[25] It is apparent that lack of training for employees sent abroad often causes problems for them when they are not trained to handle cultural differences. They are sent to an unfamiliar environment where they have to face a number of different elements alone.

However, besides the difficulties in understanding all the different aspects of culture and working with other nationalities, there is also the matter of an expatriate's personal characteristics that can influence the success of an assignment. Living and working in a new environment implies that employees need to be open to change to be able to cope. For instance, it can be important for expatriates to be flexible when encountering unforeseen situations and motivated to try and make this new situation work.[26] The expatriate has to be equipped with the right knowledge and skills that the domestic employees might not have. They have to expand their knowledge about their company to also include all the new knowledge about the host country company. They also have to develop and enhance other skills that can help them to handle themselves in the new host country.[27]

This also extends to the expatriates family. They have to be ready for change as they themselves might have to relocate with the expatriate, or learn to live with a partner in another country. The family has to have good understanding of the different situations that can occur with a partner working as an expatriate. This is were CCT also can be an important tool to prepare expatriates as well as their families to plan for the new situation and convey the importance of which characteristics they will have to rely on to succeed with their assignment.

Not knowing how cultural differences are supposed to be handled can create problems not only for employees and their families but also for the companies. An employee that is sent abroad with their family without any knowledge about cultural differences between the home country and the new country can be subjected to a cultural chock. This chock can in turn then lead to ineffective interaction and/or even result in a premature return owing to failure, which implies unexpected costs for the company. One way of reducing inappropriate behaviour and misunderstandings that can damage relations between people, their families and companies is CCT.

1.4 Problem formulation

Because companies become more and more international and move business units across borders into different countries, the employees have to interact with people from different cultures on a daily basis. This is when CCT can be an invaluable tool in handling cultural differences. The training can help to reduce unfit behaviour and misunderstandings that can damage relations between people and companies. Besides that, we also find that an

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[25] Darby, "Developing the Euromanager: managing in a multicultural environment", 14.

[26] S. Schneider and J. L. Barsoux, *Managing across cultures* (London: Prentice Hall, 1997), 163-167.

[27] Ugur Yavas and Muzaffer Bodur, "Correlates of adjustment: a study of expatriate managers in an emerging country" *Management decision 37*, *3*, (1999): 267.

expatriates personal characteristics and family situation can also influence the success or failure of working abroad. These three factors will be the main focus of our study on expatriate's succeeding on assignment, which would be to complete their task, or failing the assignment if they have to return home early and/or terminate the assignment because of bad cultural interactions.

Our thesis statement is as follows:

How can personal characteristics, the family situation and CCT influence an expatriates success or failure?

1.5 Purpose

The purpose of this thesis is to search for similarities and differences between the assumptions of trained and untrained expatriates. We will analyse the assumptions they have about personal characteristics, the family situation and training methods for abroad assignments. Which characteristics can be necessary for an expatriate to lean on? Does the expatriate's family influence the success of an assignment? Do they find that training can help expatriates better to succeed on assignments abroad?

These are the key questions we want to examine to form our conclusions about what factors MNCs have to take into consideration when sending an expatriate abroad, in order to increase the probability of expatriate success. The personal characteristics that are important for an expatriate, how companies can make it easier on the expatriate family and how CCT can facilitate success on all these points.

2. METHODOLOGY

2.1 Theoretical method

In the theoretical method we present our choice of subject and preconceptions. We also describe the perspective of our study and finally the theoretical position and approach to this thesis.

2.1.1 The theoretical model
Below we are presenting the theoretical model of the workflow of this thesis.

Figure 2.1: **Theoretical model**

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                    ┌─────────────────────────────┐
                    │  Subject choice and purpose  │
                    └─────────────────────────────┘
                                  │
                    ┌─────────────────────────────┐
                    │  Forming the thesis statement │
                    └─────────────────────────────┘
                    │                             │
      ┌───────────────────────────┐   ┌───────────────────────────────┐
      │ Conducting initial interviews │   │ Conducting theoretical research │
      └───────────────────────────┘   └───────────────────────────────┘
         │                    │                           │
  ┌──────────────┐   ┌──────────────────┐   ┌──────────────────┐
  │ Constructing the │   │ Searching for and │   │ Gathering additional │
  │  questionnaire   │   │ contacting companies │   │     theories      │
  └──────────────┘   └──────────────────┘   └──────────────────┘
         │                    │                           │
            ┌──────────────────────────┐
            │ Gathering of empirical     │
            │ data with the help of the  │
            │ questionnaire              │
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            ┌──────────────────────────┐
            │    Empirical analysis      │
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            ┌──────────────────────────┐
            │     Final conclusions      │
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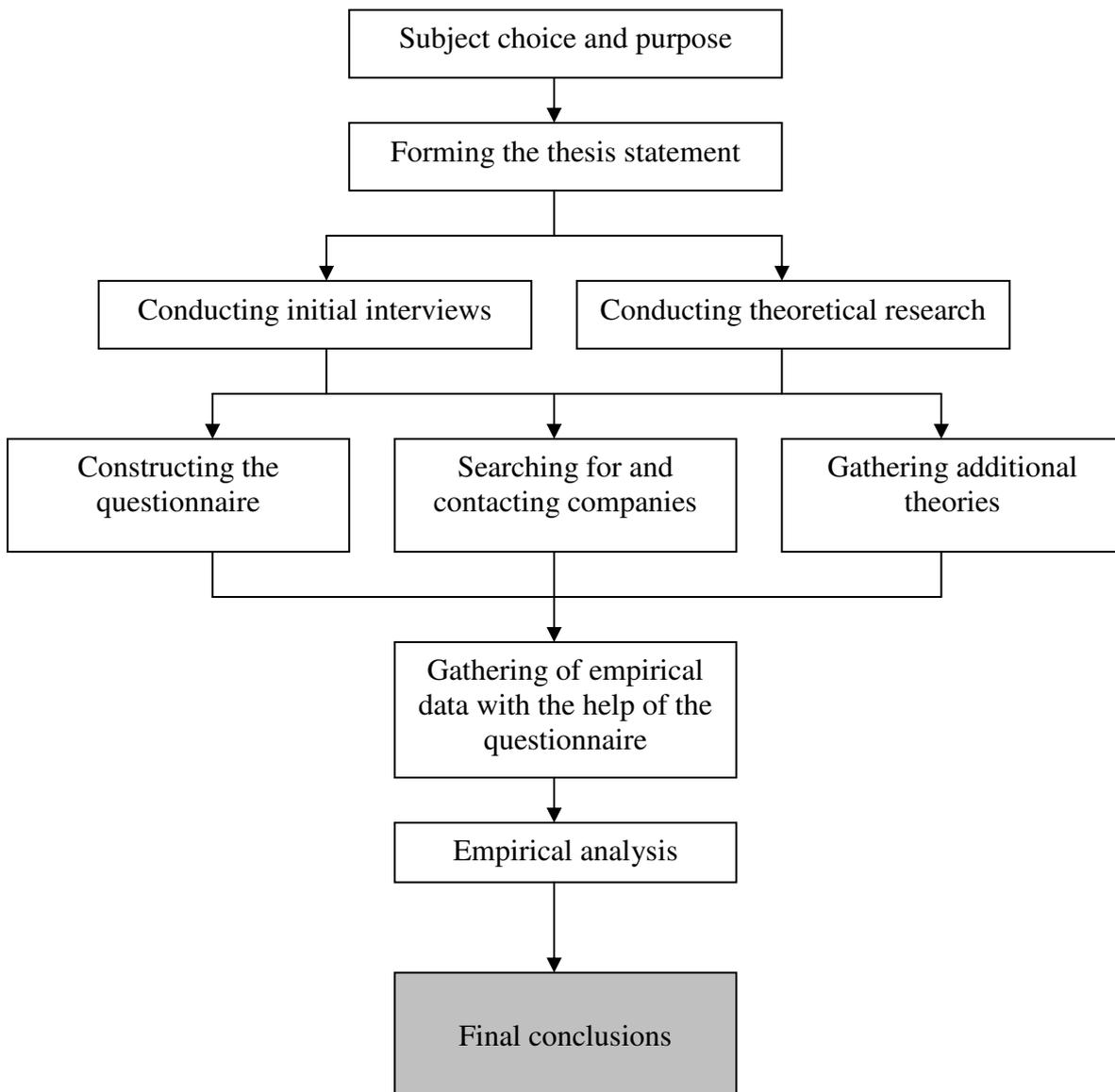
2.1.2 Subject choice and preconceptions

It was the article we wrote together about CCT for the c-level business course called Approaching change, that lead us to form the outline for this thesis. That was the first time we had ever really theoretically analysed cross-cultural issues, specifically CCT. The main result of that article was that we understood that CCT is important for expatriates going on assignment. After the article was done we felt interested in finding out more about the subject in a new, investigative way. Our article analysis was based only on theoretical sources, but this time we saw the opportunity to also test our theories with empirical support. That was why we chose to explore actual expatriate's feelings regarding CCT. Our preconceptions of thinking that CCT is a very good tool for expatriate's guided us to investigate and analyse if CCT actually is an important part of an expatriates work according to them. Who else would have the inside information about this subject other than people who have lived it. While working on the outline we understood it would be a bit of a challenge finding exact theories of the specific angles we wanted to focus on. There has not been much research done in this field yet, especially not about the expatriate family, which has caused some problems for us.

Understandably, our preconceptions after writing the article and before this thesis were quite significant. We have shared most of them with the reader in the first introductory chapter. We both hold similar views about the subject of CCT and therefore also share many preconceptions. This means that we already have many thoughts about this subject, the most influential one is that we believe in CCT. However, we have tried not to let that regulate what we have chosen to read and write for this thesis, we have tried to keep our objectivity by presenting both sides of the argument. Our preconceptions can steer the results to reflect what we think is right. But we would argue that any subjectivity throughout our work has been minimized in the way we wrote the questionnaire (see Appendix A), chose our respondents and presented the results (good or bad). Our starting point had a great deal to do with our preconceptions and past research (much presented in chapter one). But in spite of our thoughts on the subject, a thesis has to be based on actual published theories to be able to give an account of factual results. We have therefore included theories of both sides to try and keep the objectivity of this thesis and thereby also balance any subjective angles that might have occurred.[1]

2.1.3 Scientific ideal

After completing the gathering of empirical data for this thesis we quickly understood that we would have a problem using a quantitative research method. Instead we had to make do with the empirical data that we had and change everything else to suit a qualitative method. This means that our scientific ideal has also changed from a positivistic view to a hermeneutic one.

From a hermeneutic viewpoint, our job for this thesis is to understand a person's actions rather than exploring the cause of those actions. We will have to dig deeper to better understand our respondents' answers. That can helps us to put ourselves in their situation to get a clearer picture and understanding of their answers. We want to achieve comprehension within the context of their situation of working in a different culture. We did this by putting ourselves in the similar situation of imagining what it would be like to work in a completely different environment with co-workers that might not interact in the way we would be used to. We analysed deeper into the reasons for their answers instead of just seeing the surface and generalise all the answers.[2] Our preconceptions were very helpful in doing this job, because

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[1] Rolf Ejvegård, *Vetenskaplig metod* (Lund: Studentlitteratur, 1996), 17-18.
[2] Alan Bryman, *Samhällsvetenskapliga metoder* (Malmö: Liber Ekonomi, 2004), 26, 370.

the starting point of comprehending the expatriates situation and actions lied in our preconceptions. The notions we carry with us from writing our article about CCT gave us a jumpstart in understanding an expatriate's situation and actions, it helped us to understand the details that formed the whole.[3] It was with the help of our preconceptions we tried to conclude an initial interpretation of the subject at hand. This interpretation then helped us to examine the details which supported or changed our initial interpretation. Then by alternating between the details and the subject in its entirety we looked back on the theories and that helped us to further get a better understanding. This process of gaining understanding is called the hermeneutic spiral depicted in figure 2.2 below.[4]

Figure 2.2: **The hermeneutic spiral**
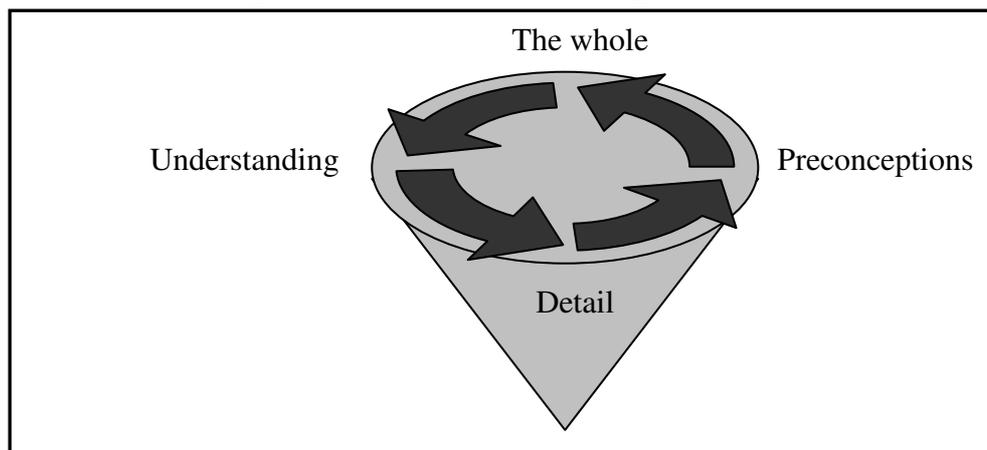
Source: Alvesson and Sköldberg 1994, p.165.

The process of going down the spiral is not something that we as authors are conscious of, but it continues until we feel to have enough coherence between the details and the whole.[5] The process continues until we are satisfied with our understanding of the expatriate's situation of working in unfamiliar environments and handling the new job, new co-workers and their family.

2.1.4 Perspective

Since we had been in contact with the subject of cultural differences in the workplace it did not take us long to settle on researching that problem. We also had prior knowledge about CCT, but we still wanted to expand on that issue and get a better understanding about an expatriate's situation. However, we still had to limit our research to pinpoint what exactly we wanted to understand. Regrettably, our first choice of wanting to do a big study about trained and untrained expatriates sadly fell through. Finally we had to make do with only a few answers from the perspective of trained and untrained expatriates. However, these expatriates can at least give us an indication to how training can be perceived and if it is beneficial in any way, because they have lived it. The reason we chose to investigate both trained and untrained expatriates is that we also wanted to explore if there are any considerable differences between these two groups.

There are of course other perspectives that can shine a light on CCT, for example the host-country locals', assignment leaders', co-workers, the expatriates family and so on. But we

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[3] Lars-Göran Johansson, *Introduktion till vetenskapsteorin* (Stockholm: Thales, 2000), 71-72.
[4] Maj-Britt Johansson-Lindfors, *Att utveckla kunskap* (Lund: Studentlitteratur, 1993), 57-58.
[5] Johansson, *Introduktion till vetenskapsteorin*, 71-72.

have more or less been constrained to focus on trained and untrained expatriates since we have had problems to get in touch with the right people. Although we are lacking in some areas of this thesis it can still be a good start for anyone else who wants to explore this subject further.

2.1.5 Scientific approach

The two most frequently used methods of gathering and developing knowledge are to use an inductive or a deductive approach.[6] We have applied a mixture of these two approaches when writing our thesis.

Our starting point for the thesis was based in the article about CCT that we had written. Those gathered theories gave us a jumpstart to know that we wanted to focus on what actual expatriates thought about CCT. Since we started with the hopes of using a quantitative research method, we began to gather theories and soon realised that we had gathered sufficiently enough material that there was nothing new to read about. Based on these theories we formed an early thesis statement and wrote a questionnaire with the help of the theories and the interviews we had conducted. Then with the help of the questionnaire we started to gather the empirical material that we could analyse. This approach is called deduction.[7]

However, since we only received a few answered and could not generalise our results we had to apply an inductive approach to our empirical material as well. Based on our few responses we had to be more subjective in our analysis and try to better understand the respondents' assumptions. We could not just crosscheck the similarities or differences, but we also had to interpret and find the deeper meaning of their answers. The final step was then to adjust our thesis statement to suit our final results.[8]

2.1.6 Research method

There are two types of research methods the quantitative and the qualitative. The quantitative method deals with empirical data in larger numbers, whereas the qualitative method is more about the quality of the words when collecting empirical data.[9] Our original thought for this thesis, as mentioned before, was to use a quantitative method to collect a lot of empirical data and be able to see the results in a wider perspective. We wanted to explore the number of respondents that were more positive about CCT, and be able to give generalising results. But due to difficulties as we have mentioned before (only receiving a few answers) we had to rethink that concept and focus more on a qualitative method and dig deeper into our results. The final layout is that we are examining assumptions of untrained and trained expatriates about preferred skills, training methods, what the selection process focuses on, possible reasons for failure and the hardest parts of the assignment.

To find answers about how expatriates' think about CCT we collected data with the help of a questionnaire. The questionnaire had mostly closed questions because of our original plan of a quantitative method, but because only ten questionnaires were returned our method had to change. A central criterion to qualitative research is wide and open empirical data. But since we started with a quantitative method, our empirical data is derived from what we thought would be important to focus on. Whereas, in qualitative studies the respondent can also guide

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[6] Heine Andersen, *Vetenskapsteori och metodlära – En introduktion* (Lund: Studentlitteratur, 1994), 144.

[7] Bryman, *Samhällsvetenskapliga metoder*, 21.

[8] Johansson-Lindfors, *Att utveckla kunskap*, 55, 57.

[9] Bryman, *Samhällsvetenskapliga metoder*, 249.

the researcher to focus on other important areas in the study, something that we could not do using a questionnaire. This generates wide and open empirical data which we are unfortunately lacking.[10] Nevertheless, we find that our quantitative answers also can bring light in a qualitative way when we dig deep into the assumptions that the respondents have.[11] In our case, this was done by reflecting over the answers and possible reasons to them.

2.2 Practical method

In the practical method chapter we start with describing the selection of respondents and how we gathered the empirical data. Secondly we explain our primary and secondary sources and finally point out some weaknesses of the method we have chosen for the data collection and about our sources.

2.2.1 Selection of respondents

After having decided which scientific method we were going to use in our research, it was time to select a population that would provide us with the most reliable results and hopefully help us to gather the empirical material necessary to investigate the issue of CCT. We assumed that it would be best to focus on MNCs. There were two reasons behind choosing large companies. First, they usually have a number of business units in different countries and therefore might be providing or in need of CCT. Secondly, they would probably be the ones willing to pay for their expatriates training simply because they might have the resources to do so. We have tried to get in touch with as many as 74 different companies and organizations (see Appendix B for a full list of those). Most of them were found on an open-access client list of a company providing CCT and others were randomly chosen from the large international companies that we have known about. We have received the responses from the latter group of companies – those that we came up with when deciding to conduct research. We have therefore made use of the simple random sampling, which means that the coincidence was the main factor steering our selection procedure.[12]

2.2.2 Gathering the data

We have contacted the companies by e-mail and telephone and for some of them we had to fill in an on-line form as this was the only way to get in touch with them. About 30% of all the contacted companies responded to our messages and most of the answers were negative. They gave different reasons for that, the majority of them being that they do not have time or resources to help us with the research. Others explained that company's policy was not to discuss these matters in public. Another reason for the low response rate could be the low scientific significance of a Bachelor Thesis, and even though we did not mention the thesis in the titles of our e-mails and initial conversations with the companies, it had to be explained at some (early) point. Considering all the above, despite the number of the companies we have contacted, the response rate was not at all what we expected.

In the initial process, we have received positive response from four companies and organizations that were willing to take part in the research. Those were: ABB, ECCO, Pricewaterhouse Coopers and The World Bank. However, due to different reasons, we only

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[10] Mats Alvesson and Kaj Sköldberg, *Tolkning och reflektion – Vetenskapsfilosofi och kvalitativ metod* (Lund: Studentlitteratur, 1994), 10.

[11] Bryman, *Samhällsvetenskapliga metoder*, 35, 403.

[12] Karin Dahmström, *Från datasamling till rapport – att göra en statistisk undersökning* (Lund: Studentlitteratur, 2000), 197.

received a limited number of answers to our questionnaire from two of them, namely ABB and ECCO. When it comes to the other two, in one case, the person that we have been in contact with had gone on maternity-leave without passing our 'case' to another person in the company. The other representative said that the data we were supposed to get from them had not been processed yet. Unfortunately, that was the data we were most hoping to receive as it would be the most reliable source of information. Of course, one can always try and contact more companies and try to reach them from many different angles from the same time but due to the time restriction, the 74 companies were the only ones we could contact at that time.

The two companies that we have worked with appointed a number of respondents and sent the questionnaire to them. This might have influenced the reliability of our study since we do not know in what way the respondents have been appointed. We want to believe that the choice of respondents was random even within the companies but we have no proof that this was actually the case. On the other hand, this might be relevant only in the case of the respondents that have taken part in CCT that was provided by their company because they would only state good things about it. The other group of respondents, those that have not participated in any training, comes from a company that wanted to investigate the matter themselves. This may indicate that, since the company was interested in the results provided by this study, the respondents were chosen in a reliable way, to give the broadest view of the perceptions.

2.2.3 Primary and secondary sources

There are two types of information sources that can be used to gather the material for the study. Primary sources are those that have been collected by the authors themselves and presented for the first time in a written report.[13] In our case, this is the data that has been gathered by use of the questionnaires. However, in order to create a reliable questionnaire and understand the subject of CCT, we have conducted two interviews. The first one gave us the idea about what CCT really was, that is, what activities it involved and how it was conducted. We also got a closer look at one of the theories concerning cultural differences; the theory that was different from the most common used (Hofstede's model) and that was developed by Richard Lewis. We have decided to make us of this theory as it seemed relevant to us. However, we have also made use of the five cultural dimensions developed by Geert Hofstede. The second interview helped us to understand how to deal with the issue of CCT in the sense of talking about it and asking the right questions. One can call it a pilot interview for our study and we decided to make use of it to develop or questionnaire. Pilot studies are can be used to clarify possible misunderstandings that can emerge during a survey.[14] However, these two interviews will not be discussed any further in the thesis since their purpose was solely to increase our understanding of the topic and allow us to prepare a reliable questionnaire.

The empirical material for the study was gathered by use of a questionnaire constructed in Microsoft Office Word 2003. It has been sent to our contact persons in the two companies and later distributed to the expatriates. The answers, on the other hand, were sent directly to the two of us.

As for the secondary sources, those were the books and scientific articles that contained information about cultural differences and CCT. Most of the books were found by use of Umeå University Library Album and in Stockholm University Library. We have also received

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[13] Dahmström, *Från datasamling till rapport – att göra en statistisk undersökning*, 269.

[14] Bryman, *Samhällsvetenskapliga metoder*, 171.

one of the books from one of the initial interviewees so that we could extend our knowledge about a different approach towards cultural differences, namely the one presented by Richard Lewis.

The articles were found by use of two library databases – Emerald Fulltext and Business Source Premier, although we have not used the latter one very often. It seemed easier to find relevant information in Emerald. The key words we used for the search were: cultural differences, CCT, CCT, multinational companies, expatriates, management, expatriate failure, vetenskaplig metod, kvalitativ, kvantitativ forskning, vetenskapliga teorier, and abduktiv.

Other secondary information was found by the use of internet. This is where we looked for information about the companies that provided CCT and about the companies that might have made use of this type of training. In order to gather this information, we used the search engine Google. We are fully aware that Google is not the most reliable source of scientific information. However, we argue that the kind of information we were looking for (company names, their home pages etc.) was best found by the use of this tool and the reliability of the data is in this case very high.

2.2.4 Criticism towards data collection method

Sending out questionnaires via mail or e-mail is a very popular way to collect the necessary information, at least for students. For us, this appeared to be the only way that the research could have been conducted in. This was due to different reasons, the main one being that the companies did not want to allow us to conduct interviews with their expatriates. To post the questionnaires was also a cheap way to conduct a survey and this was relevant as both of us are cost-conscious students. However, this way of conducting a research has some drawbacks.

First of all, using the internet was sometimes the only way to contact a company, but also the companies contacted by phone demanded that further contact was made via e-mail or fax. Therefore, there is a high chance that our questionnaire was considered low-priority and was not treated seriously. Also, it could have simply ended up in the company's SPAM folder or not reached the company due to some technical problems that the company had been experiencing. This might be the reason for a low response rate to our initial question – whether the companies would take part in the study or not.[15]

What is more, it is not possible to control who is actually answering the questionnaire and this might affect the reliability of the study in a negative way. First, because there might emerge language problems, and this is most relevant when conducting a study on attitudes and perceptions.[16] Still, we argue that this scenario can also be the case when conducting telephone interviews, not only for the questionnaires. And more importantly, we did have some influence on who answered the questionnaires by letting the supervisors pass the survey on to their subordinates. This is because we reached the two groups that we wanted to reach – the employees that took part in some sort of CCT and those that did not. Also, the companies that agreed to take part in our study were interested in the results of the thesis. Therefore, one can assume that they themselves would also try to get the most relevant results.

Another problem with the posted questionnaires is that the number of questions has to be restricted in order to keep the respondent interested and give reliable answers to the questions.

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[15] Dahmström, *Från datasamling till rapport – att göra en statistisk undersökning*, 59.
[16] Ibid., 64.

It is hard to draw a person's attention towards the questions and convince them that it might be worth spending some time on answering them. In our case, the only thing we could offer in return was the result of the study we were working on. And although it might not seem appealing to the individual respondents, it might have had a positive effect on the supervisors since they knew that the results of the survey could be beneficial for their company. Knowing that, they could have motivated their employees to dedicate some time and effort to the questionnaire.

Finally, if a question is not clear enough, there is no possibility to clarify it to the respondent. Therefore, the questions have to be thought through and constructed in the best possible way to facilitate the response process. Also, the number of open questions should be restricted since it is not easy to have people answer them in a questionnaire. The situation might even lead to the respondents answering a question by crossing in "Other" and not explaining what they mean by the answer although the space for that has been provided.[17] On the other hand, the questionnaires can be constructed so that they fit the purpose and the respondents very well – the biggest advantage is that they can be answered whenever the respondents have time to do it.[18] This is mostly relevant to our study since we have contacted large companies that are working under high time pressure and it could have been difficult or impossible to conduct interviews with their employees. When it comes to clarity issues, we think that by conducting the pilot study, we decreased the risk of constructing an unclear survey.

2.2.5 Criticism towards the sources

When choosing the theoretical framework for our thesis, we have made use of literature and scientific articles. We have put a lot of effort in providing most reliable information from the field by searching for the articles of widely cited authors that had a good reputation among the researchers in this field. Moreover, we were looking for peer reviewed articles, which also ensures the quality of those papers. We have also consequently search for original sources to eliminate any errors in the facts we have presented in this thesis.

One might argue that choosing Richard Lewis and his theories as the background for our thesis was wrong since he did not gather as much recognition as, for example, Geert Hofstede. However, Hofstede's work has been widely criticized and it is arguable whether his work is the most reliable source of information on cultural differences. This is why we decided to use the theories provided by both of them and some other recognized researchers.

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[17] Ibid., 64. Bryman, *Samhällsvetenskapliga metoder*, 147-148.
[18] Bryman, *Samhällsvetenskapliga metoder*, 146

3. THEORETICAL FRAMEWORK

In this chapter we describe the expatriate and show how a selection process of an expatriate can be conducted. Then we present how expatriates can be trained for assignments and list some training propositions. Finally we present some possible factors for expatriate failure. This will then all be summarised in a theoretical model that will be used in combination with our empirical chapter to analyse the issues of being an expatriate.

3.1 Developing the expatriate

In the previous introduction chapter, we have shown that CCT can be an important tool when training expatriates. However, before an expatriate is actually trained it is important to look at what an expatriate should possess and how they are selected before the training comes in.

3.1.1 Describing the expatriate

There are many theories about what kind of skills a good expatriate should possess. However, Schneider and Barsoux are the ones that best explain all these skills. They have a list of suggestions of which characteristics are most important when selecting a future expatriate.

First, an employee should have well-developed interpersonal skills, which is often overlooked by companies who focus on the person's track record in the host-country. Interpersonal skills let the employee build relationships with the new colleagues and therefore allow him/her to gain trust. People-orientation allows a person to quickly adapt to the new conditions and also to be able to change environments quickly. Another important feature is the employee's 'linguistic ability' and in this case it is not about being fluent in one language but to be able to easily learn useful phrases and expressions in different languages. An employee should also be motivated to live and work abroad and be able to accept and cope with uncertainty; that is he/she should show flexibility when circumstances change.[1]

Other features crucial for a person sent abroad are patience and respect. The reasons for that are that it always takes time to adjust to the new situation, learn the routines and get to know the new culture. It is also important to try and understand the culture instead of negating it and deciding to do things the way that they are done in the home country. Moreover, one needs to learn to appreciate the fact that other people have different perception of the world, different values and different ways of thinking. In order to be able to do that, one needs to have cultural empathy. This is a feature that some individuals have, and some do not. It is not easy to develop this feature or just add it to one's character.[2]

Finally, the two last features tackled are 'a strong sense of self' and sense of humour. A strong ego allows an expatriate to interact within different cultures without giving in and developing the so-called 'stability zones' such as hobbies etc. allow an individual to take a 'time-out' and charge the batteries for the future. Sense of humour is also a mechanism that allows one to deal with the huge amounts of stress in the new environment. It can also be used to get acquainted with the new colleagues but one has to remember that different cultures consider different things to be funny.[3] Table 4.1 below shows all the described skills.

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[1] Schneider and Barsoux, *Managing across cultures*, 163-167.
[2] Ibid.
[3] Ibid.

Table 3.1 : Skills of a good expatriate	
Interpersonal skills	Flexible
People-oriented	Patient
Linguistic ability	Respectful
Motivated	Cultural empathy
Ability to cope with uncertainty	Strong sense of self
Ability to adjust	Sense of humour

There are many skills listed that an expatriate should hold. However, there are a few skills that matter more for certain assignments and the process of selecting the right employees for an assignment can be complicated and time-consuming.

3.1.2 Selecting expatriates

In the past expatriate selections for assignments abroad have focused on the persons past track records, technical and functional abilities.[4] But these selection methods have changed and have been refined over the years to now focus more on functional and personal assets of the expatriate.[5]

A study made by Tung assessed the preferred skills and tests used in the selection process of expatriates in US, Western European and Japanese MNCs. In the US sample the respondents found that employees that had more contact with the host country local's, as opposed to employees with more technical work (like repairing machines), required to be more adaptable, flexible and able to communicate. The Western European respondents also called for adaptability and flexibility. The Japanese respondents valued a long history within the company very highly. In the US and Japanese sample there was a very low use of tests to look at a candidates technical skills and social abilities. The use of testing seemed more frequent in the Western European companies where 14 % used tests for technical skills and 21 % used tests for social abilities.[6]

The selection-decision process (see figure 3.1) described by Tung would start with the company looking for a candidate in the host country that would be appropriate to fill the position. If so, the search is over and the position can be filled by the local national. But if there is no local national suitable for the position the company has to search for candidates within the company or outside among rivalling companies. Then the first thing is to identify the degree to which the candidate has to interact with the host country locals and determine if it is high or low. After this the company has to evaluate the degree of similarity or dissimilarity between the two cultures to conclude if it is very similar or highly diverse. In the end, if the interaction is high and the cultures are highly diverse the expatriate is in need of the most rigorous training that would include sensitivity training (change attitudes, flexibility to accept the differences) and filed experience (probation, look-see visits). Whereas if the interaction is high but the cultures are very similar there is a need for moderate to high rigorous training. That would include culture assimilation (seminars that describe the interaction between cultures), language training, sensitivity training and field experience. But

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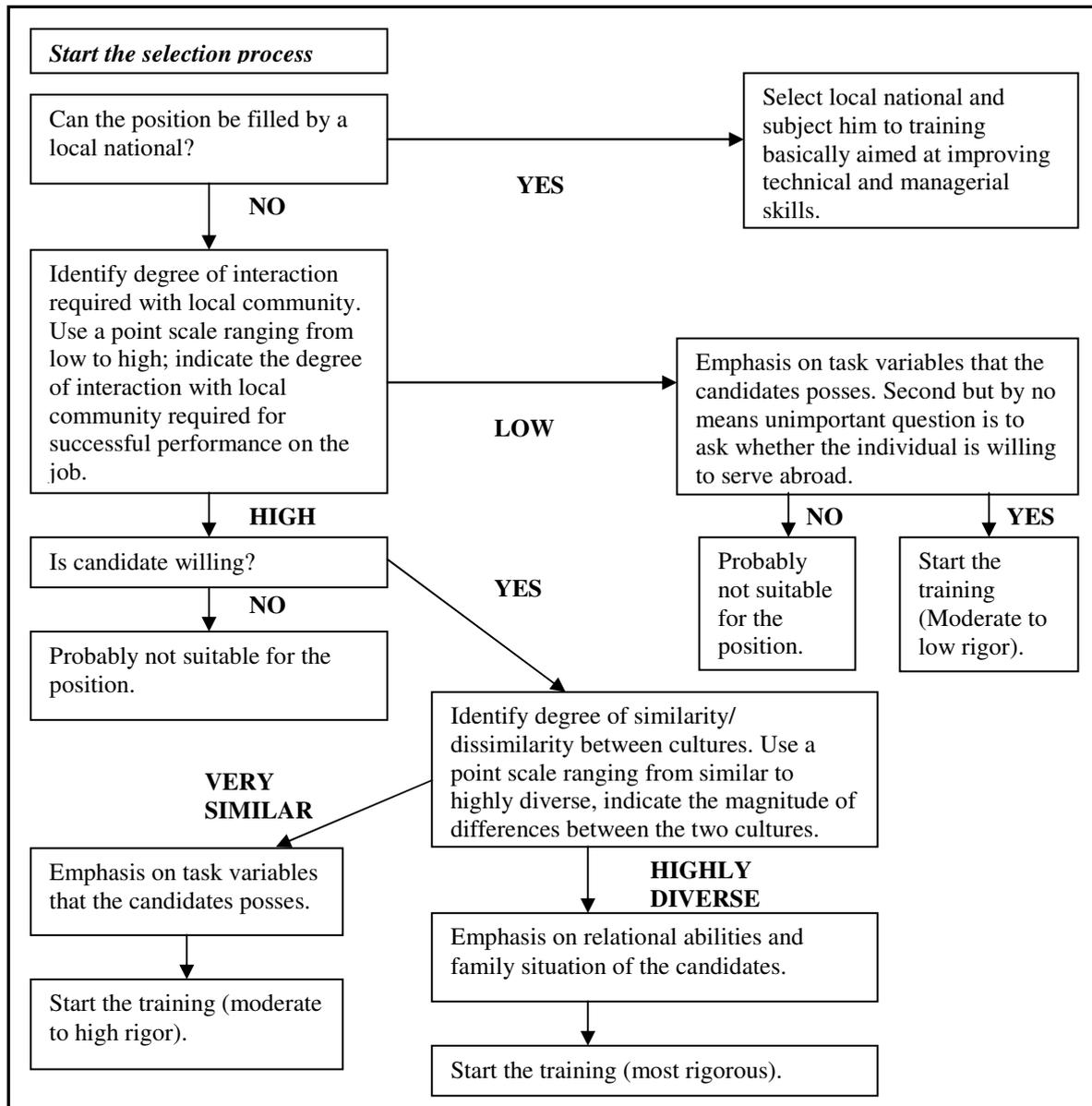[4] Mendenhall *et al.* (1987) in Michael Harvey and Milorad M. Novicevic, "Selecting expatriates for increasingly complex global assignments" *Career development international* 6, 2, (2001): 69.

[5] Levy-Leboyer (1994) in Harvey and Novicevic, "Selecting expatriates for increasingly complex global assignments", 69.

[6] Tung, "Selection and training procedures of U.S., European, and Japanese multinationals", 63-64.

if the interaction is low the training should be moderate or low which includes area studies (environmental briefings and cultural orientation), culture assimilation and language training.[7]

Figure 3.1: **Flow chart of the selection-decision process**

Start the selection process

Can the position be filled by a local national?

YES → Select local national and subject him to training basically aimed at improving technical and managerial skills.

NO

Identify degree of interaction required with local community. Use a point scale ranging from low to high; indicate the degree of interaction with local community required for successful performance on the job.

LOW → Emphasis on task variables that the candidates posses. Second but by no means unimportant question is to ask whether the individual is willing to serve abroad.

NO → Probably not suitable for the position.

YES → Start the training (Moderate to low rigor).

HIGH

Is candidate willing?

NO

Probably not suitable for the position.

YES → Identify degree of similarity/ dissimilarity between cultures. Use a point scale ranging from similar to highly diverse, indicate the magnitude of differences between the two cultures.

VERY SIMILAR → Emphasis on task variables that the candidates posses.

Start the training (moderate to high rigor).

HIGHLY DIVERSE

Emphasis on relational abilities and family situation of the candidates.

Start the training (most rigorous).

Source: Tung 1981, p. 73

The chart presented above may not be the way companies actually precede when they are choosing expatriates for assignments. However, the reasons for us choosing this particular chart was that we felt that it in a simple way shows how a selection-decision process can be conducted in reality.

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[7] Tung, "Selection and training of personnel for overseas assignments", 70-71, 73-74.

3.1.3 How training is conducted

The approach to cross-cultural expatriate training varies a lot, depending on the origin of the company. Shen suggests that the most general division should be made by distinguishing between the USA, Western Europe and China.[8] Evidence has shown that American organisations do not use pre-departure programs to the same extent as Japanese and European organisations do. In a study of US companies showed that only 32 % provided any training for their expatriates. The programs most frequently used where language training, environmental briefings (that includes information about the country's natural features, weather, accommodation and school-system) and cultural orientation (which includes information about the cultural establishments and value systems).[9]

When it comes to European companies a survey showed that 69 % provided some kind of CCT for their expatriates. According to Tung, Western companies use such training programs as language training and environmental briefings and cultural orientation. They also offer the expatriates some on-site training to let them get acquainted with the environment and working conditions of the host country.[10] Shen's research shows that the most popular methods used are "area briefings, indoor lectures, preliminary/orientation visits, probation and interviews with repatriates or expatriates". Language training and role-playing are also given a serious approach in European companies.[11]

According to Shen, most Chinese companies do not offer any CCT at all for their expatriate employees. Those that do provide this sort of training tend to organise seminars conducted in a short period of time and it often happens that the expatriate employees are sent to the host country directly after them. The training itself does not apply to the expatriates' families. Shen found that Chinese MNCs focus mostly on internal training conducted in the home country by academics from outside the company or by senior managers working in the company.[12] On the contrary, 57 % of the Japanese companies provide CCT. The programs they most frequently used where language training and environmental briefings.[13]

Shen concludes that although the need for CCT of expatriate employees is present and constantly increasing, most MNCs seem not to share the same opinion. Moreover, neither Western nor Chinese MNCs pay much attention to the need of CCT for the expatriates families or partners, which increase the probability of a premature return of the expatriate.[14]

It seems that Western European and Japanese companies are better at using CCT as a tool for expatriates to rely on when they work abroad. That can be an explanation for why their failure rates are lower than those of the US and Chinese.

3.1.4 Propositions of expatriate training

Changing an expatriate's behaviour to suit the host country's culture might have to happen unwillingly, although changing the person's attitude might be more voluntary. An expatriate may have to change his/her basic values when moving to another culture. Social and cultural

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[8] Jie Shen, "International training and management development: theory and reality" *Journal of Management Development* 24, 7, (2005): 659.

[9] Tung, "Selection and training procedures of U.S., European, and Japanese multinationals", 66, 68.

[10] Ibid., 66.

[11] Shen, "International training and management development: theory and reality". 659.

[12] Ibid.

[13] Tung, "Selection and training procedures of U.S., European, and Japanese multinationals", 66.

[14] Shen, "International training and management development: theory and reality". 659.

systems that rule in the new culture can be learned in the same way as new languages are learned. These new social and cultural systems can then, as new languages, also be abandoned when there is no further need for them.[15] According to Treven, CCT is a way to adjust expatriate's behaviour, knowledge and skills to the new environment in order to make sure that s/he will meet the company's expectations and succeed in the business unit that s/he has been delegated to. For the company itself it means that it will stay at least as productive as before and that it will adjust itself to the new, global market.[16]

CCT can be divided into two groups: pre-departure training and post arrival training. The pre-departure training is conducted while the expatriate still is in his/her home country, and the post arrival training is conducted when the expatriate has arrived to the host country were s/he will be working. Below some propositions of different types of training are presented for these two groups.

3.1.4.1 Pre-departure training

CCT should not only involve the expatriate themselves but also their families, if they are to move to a different country with the expatriate. Especially in the US and Western European culture the family is important, and including them in the training would help them all to adjust in the new environment.[17] Ideally, the training should be conducted before, during and after the time of the assignment. The training should include not only language training but also, and most important, it should give the expatriate and his/her family knowledge about the culture of the host country. CCT can be conducted in many ways and it is vital that the organisation provides the expatriate's with the type of training that would be most efficient. Methods used in this kind of training should include seminars concerning cultural differences, role-playing, written sources and probation.[18] In his study, Branine examined what effect the training programmes prepared by Western organisations had on Chinese expatriates. The findings of the study indicated that the cultural background of the trainees has a big impact on their response to the training. The main conclusion was that the training has to be adapted according to the employees cultural background and the future cultural context.[19]

Some organisations also use informal briefings as they are seen as one of the most inexpensive ways to train an expatriate. At these briefings they have the chance to meet and speak with repatriates (expatriates returning home).[20]

As mentioned before learning-by-doing, a form of role-playing and probation, can also be used as a form of CCT. Traditionally CCT is more often of a passive and theoretical nature when participants take part in lectures, readings and Q&As, because of the cost efficiency when providing training for large groups. But Lewis emphasises the drawbacks of this form of training. It is hard to reach the unmotivated participant to learn much and the motivated participant might learn something, but only to a certain level. Passive and theoretical teachings do not provide for the participant to make use of their knowledge in a practical way. This is why Lewis advocates for organisations to use simulations. It gives the participants an

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[15] Selmer, "Adjustment of Western European vs North American expatriate managers in China", 9.

[16] Treven, "International training: the training of managers for assignment abroad", 550, 557.

[17] Tung, "Selection and training procedures of U.S., European, and Japanese multinationals", 70.

[18] Treven, "International training: the training of managers for assignment abroad", 556.

[19] Mohamed Branine, "Cross-cultural training of managers" *Journal of Management Development 24*, *5*, (2005): 470-471.

[20] Vesa Suutari and David Burch, "The role of on-site training and support in expatriation: existing and necessary host-company practices" *Career Development International 6*, *6*, (2001): 299-300.

opportunity to use their knowledge in an active and practical way. It can be seen as a form of learning-by-doing as they obtain and use knowledge during the simulation. A simulation can teach participants new knowledge, but also warrant that they have converted this knowledge into a life experience. For these simulations to work there has to be a use of credible characters that are put in a cultural context in a credible business situation, or the simulation will surely fail.[21]

Training methods that are more commonly used are look-see visits, which also fall under the training category of learning-by-doing. When the expatriate participates in a look-see visit s/he can see how it would be to live and work in the new cultural environment.[22] They have the opportunity to see what an impact the cultural shock could have, and also gain insight into how to appropriately interact with the local people. They will also be able to rehearse a good first impression.[23] The benefits of a look-see visit can be seen in sending expatriates away on probation in the host country. The probation means that the expatriate has the opportunity to try out how it actually is to work and live in the new country.

3.1.4.2 Post arrival training
Traditionally CCT has been conducted before the expatriate leaves for an assignment. The expatriate participates in lectures, seminars, role-plays etc. However, it is not often the actual host country workforce is incorporated in the training, although it should be the host country workforce that knows the culture best. Recent studies have shown that on-site training involving the actual people the expatriate will work with gives better results than any pre-departure training.[24] When the expatriate trains and interacts with the host country workforce s/he will have a better understanding of how to communicate with the workers in an appropriate way. The expatriate will be able to alter his/her behaviour to suite the needs of the workforce.[25] The host country locals can also help the expatriate and especially their family with practical issues like, acquainting themselves and learning about the area, housing, arranging school and day-care, help with banking and healthcare, spare time opportunities etc.[26] When using on-site training the host country workers could also assist in developing the training program to be more customised for the expatriates.[27]

As the expatriate is trained in how to interact with the host country workforce, so should the host country workforce also learn to interact with the expatriate. The workers should be given proper knowledge of the culture from which the expatriate comes from to reinforce the success of an assignment.[28] Host country companies can also assign a mentor for the expatriate that can help him/her to adjust to the new environment and the expatriate will also know who to contact for help. It has been shown that a local mentor is important for

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[21] Maureen M. Lewis, "The drama of international business: why cross-cultural training simulations work" *Journal of European industrial training 29*, *7*, (2005): 594-598.

[22] Suutari and Burch, "The role of on-site training and support in expatriation: existing and necessary host-company practices", 299-300.

[23] Yavas and Bodur, "Correlates of adjustment: a study of expatriate managers in an emerging country", 270.

[24] Allan Bird *et al.* "Adapting and adjusting to other cultures" *Journal of management inquiry 8*, *2*, (1999): 155-156.

[25] Charles M. Vance and Yongsun Paik, "One size fits all in expatriate pre-departure training?" *Journal of management development* 21, 7, (2002): 567.

[26] Suutari and Burch, "The role of on-site training and support in expatriation: existing and necessary host-company practices", 300.

[27] Vance and Paik, "One size fits all in expatriate pre-departure training?", 567.

[28] Suutari and Burch, "The role of on-site training and support in expatriation: existing and necessary host-company practices", 301.

expatriates in the process of socialising with other locals. When the expatriate is taken under the mentor's wing it can give the expatriate more acceptance among the host country workers.[29]

Table 3.2: **Summary of cross-cultural training**	
Pre-departure training	▪ Probation ▪ Look-see visits ▪ Informal briefings ▪ Simulations ▪ Role-play ▪ Q&A's ▪ Seminars ▪ Readings ▪ Lectures ▪ Language courses ▪ Written sources
Post arrival training	▪ On-site training that involves the expatriate and host country workforce both ways. ▪ Mentoring
All these types of training should ideally also involve the expatriates spouse and family that is also moving to the host country.	

It is difficult for us to speculate about the best training methods when we have never participated in any such training. However, we think that practical training methods (mentoring, probation, look-see visits and simulations) are far better than any theoretical methods (readings, lectures and written sources). But one theoretical method that expatriates should benefit from is language courses, with the implication that the expatriate has not much prior knowledge about the language. The best combination of training methods in our opinion would be language training, were the expatriate might not have to learn an entire language, but at least some useful phrases; seminars about the culture, helping them to understand the differences between the future culture and theirs; look-see visits, as they can experience the culture and country for real and finally on-site training with a mentor, which can help the expatriate when s/he is getting into the new routines of the new job. We think that a mentor would also make the expatriate feel safer as s/he has one specific person they can turn to for help. If the family is going with the expatriate, then they also need to be included in the training. This way the expatriate would be prepared in the most important areas in a both theoretical and practical way.

3.1.5 Expatriate failure and CCT

As mentioned before, there are indications that CCT is helpful to expatriates. A way of showing this is to explain and statistically prove how it can be for an untrained expatriate. There has been studies done that can link the problems and failures of MNCs to cultural factors.[30] An overview of failure rates can bring additional light to the fact that training is valuable.

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[29] Yavas and Bodur, "Correlates of adjustment: a study of expatriate managers in an emerging country", 275.

[30] Miroshnik, "Culture and international management: a review", 525, 527.

- In countries that used training:
  US MNCs had a failure rate of 10-20 %.
  Western European MNCs had a failure rate of less then 10 %.
  Japanese MNCs had a failure rate of less then 5 % [31]

- Assigned expatriates without training:
  Expatriates working in developed countries had a failure rate of 25-40 %
  Expatriates working in still developing countries had a failure rate of 70 % [32]

The failure rates listed above cannot be discarded. The rates were considerably lower when the expatriate had been through some kind of CCT. That should indicate that the training can at least do more good than harm. It seems evident to us that a person that has been educated about what to expect and how to act among people from a different culture would be more prepared to face difficulties than someone that has not benefited from any training.

When expatriates struggle or fail on their jobs because of the new cultural environment it brings additional expenses to the company. Some of the repercussions of poor adjustment are: the employee's low performance or absence that can cause costs for the company and co-workers, and it can even lead to early returns to the country of origin.[33]

More and more countries decide to, or simply have to expand their businesses over the borders and thereby their employees and especially expatriates have to become more and more aware of cultural differences. Ordinary behaviour might not be accepted in a business unit abroad, it has to be adapted to the new environment.[34] In a study made by Hutchings, her respondents state that although it is impossible to fully prepare expatriates for working in another culture, CCT would surely diminish the 'culture shock'.[35] Shedding a light on some of the difficulties that an employee can encounter on assignment abroad can also help to understand the importance of training expatriates. It can be hard for an employee in a new environment to:

- Adjust to the new physical and cultural changes.
- Cope with the mounted pressure on home life, which especially concerns the spouses.
- Handle the new responsibilities of working abroad.
- Posses enough or the right technical abilities.[36]

Better adjustment to the issues listed above could be achieved when the expatriate has received training and interacts with the host country locals and learns how to act and communicate appropriately. It should also help if the expatriate is open to all the new experiences that the host culture and country surely will provide.[37] Therefore, one can

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[31] Tung, "Selection and training procedures of U.S., European, and Japanese multinationals", 68.
[32] Jeffrey Shay and Bruce J. Tracey, "Expatriate managers: reasons for failure and implications for training"
  Cornell Hotel and Restaurant Administration Quarterly 38, (1997): 31.
[33] Tung, "Selection and training procedures of U.S., European, and Japanese multinationals", 67.
[34] Carl A. Rodrigues, "Cultural classifications of societies and how they affect cross-cultural management"
  Cross Cultural Management 5, 3, (1998): 29-31.
[35] Kate Hutchings, "Cross-cultural preparation of Australian expatriates in organisations in China" *Asian Pacific
 Journal of Management 20*, (2003): 391-392.
[36] Darby, "Developing the Euromanager: managing in a multicultural environment", 14.
[37] Selmer, "Adjustment of Western European vs North American expatriate managers in China", 17.

conclude that CCT is a valuable tool when wishing to decrease expatriate failure within a company.

3.2 Theoretical model

Figure 3.2: **The theoretical model**
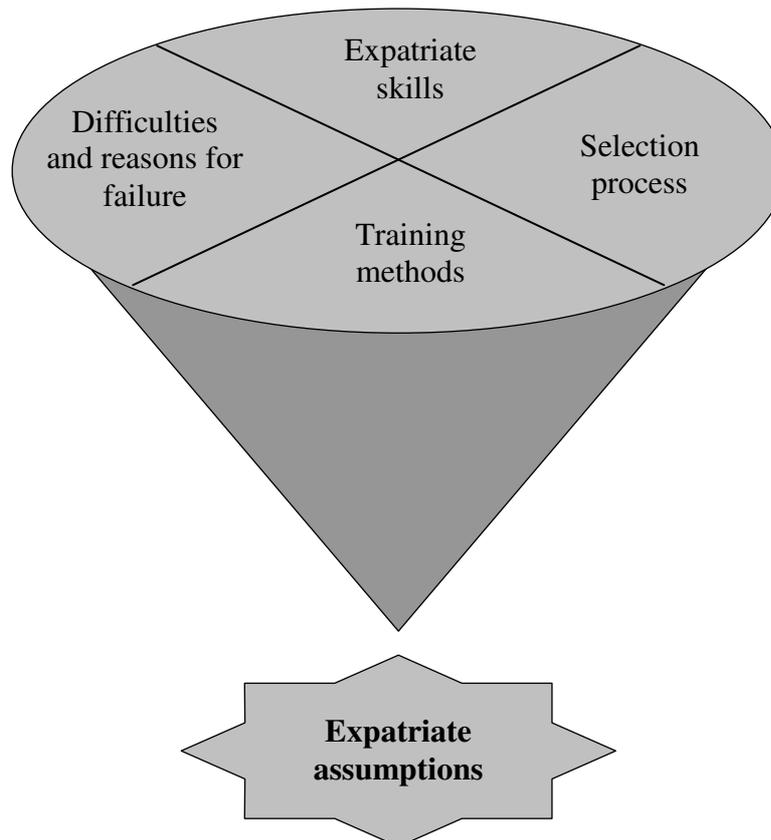
The theoretical model formed above will assess four issues, also including the family situation, to help answer the thesis statement:

How can personal characteristics, the family situation and CCT influence an expatriates success or failure?

With the basis of our model and with the help of our theoretical frame work and empirical material we first want to understand which are the three most important skills selected among trained and untrained expatriates. The second step is to examine what the company looks for in their new expatriates during the selection process. Thirdly, the untrained group of expatriates will list their three most preferred methods of training and the trained expatriates will list the training they actually received. The fourth step is when both groups list what they think is the reason for expatriate failure and what they found hardest about their assignment. The final step of the analysis is then to summarize and compare the results between the two groups of respondents to help giving an answer to our purpose of this thesis in our final conclusions.

4. EMPIRICAL STUDY AND ANALYSIS

In this chapter, we will present the results of the conducted survey. The aim of the chapter is to provide the reader with information about how CCT is perceived by the employees and an analysis based on those perceptions. The presentation will be divided into two parts; the first will describe the perceptions of those employees who did not have a chance to participate in CCT and the second one will discuss the perceptions of those who did participate in some form of cultural training. After each set of questions, we will analyse them in accordance to the theoretical framework. The analysis will be presented in separate frames in order to facilitate the understanding and make it easier for the reader to follow the flow of the chapter.

4.1 Background information

The study was conducted on two international companies, ABB and ECCO, with subsidiaries placed in a large number of countries across the world. We received ten questionnaires from the employees of ABB that have not been provided any sort of CCT and three questionnaires from the employees of ECCO who took part in the training. The former will be referred to as employees A and the latter as employees B.

4.1.1 Introduction of the untrained respondents (employees A)

Eight among employees A were men and two of them were women. Most of them were aged between 20 and 50 years old and have only been delegated to one assignment abroad. Five of them have been working abroad for less than a year, and four between one and two years. The majority of the respondents perceive themselves as being a part of the European culture and they have had little knowledge about and contact with the country they were assigned to prior to the departure. There was only one respondent who had a lot of knowledge about the future host country. Most of them have experience of working in European, Asian and North American cultures whereas one has been working in South American culture.

Below follows the gathered empirical results and analysis of the 10 untrained expatriates whom worked for ABB in Sweden.

We would like to make a clarification. The tables presented in this chapter are not similar between the two respondent groups because we have not included every skill, possible reason for failure or "hardest thing" that was not selected by the respondents. Moreover, in the tables we have only included the answers that <u>have been marked</u> by the respondents. The answers not chosen by them were not placed in the tables.

4.1.1.1 Skills of a good expatriate

According to employees A, three most often chosen features that a good expatriate should have are: good social skills, flexibility and motivation. Lack of flexibility is seen as the main cause for expatriate failure, the second problem being expatriate partner's inability to adjust to the new environment. The major issues for themselves were: adjusting to the new cultural environment and helping the families/partners to adjust (see table 4.1).

Table 4.1: **Which skills should a good expatriate possess**	
Motivation	**7**
Good social skills	**6**
Flexibility	**4**
Good adjustment skills	**4**
Show cultural empathy	**4**
Show respect	2
Good language skills	2
Good at handling uncertainty	1

The skills of a good expatriate are not ranked in any way in the theories we have presented. Even though, we wanted to use those skills from table 3.1 p. 25, and pose the question to the expatriates to see what they would find most important for an expatriate to possess. The two most chosen answers – *motivation* and *good social skills*, are mentioned among the first by Schneider and Barsoux. Even though the skills in their theories were not ranked in any way, it seems there is a similarity to how the respondents answered and in which order the skills are mentioned by Schneider and Barsoux.

Employees A have ranked motivation as the most important feature that a good expatriate should possess. Motivation is the driving force that allows expatriates to accept and conduct their assignments; it is the essential factor that might lead to expatriate success or failure, according to Schneider and Barsoux. The interesting thing is to interpret this choice because it could be based on a number of things. It might be the desire to succeed and develop one's career or the need to acquire new skills and grow as a person. The reason for this is that expatriates or those who are considering going on an assignment abroad first hand think about themselves and the implications that the experience can have on one as a person. Therefore, one important feature of a good expatriate would be the desire to work abroad and for that motivation is necessary.

Secondly, a successful expatriate should possess good social skills, which would be the feature that one will make use of when arriving to the host country. These skills will facilitate the communication between the expatriate and his local colleagues. Living in a foreign country and above all working with people from a different culture demand from a person to be able to be *flexible* and *adjust* to the new environment. *Cultural empathy* also goes in line with the adjustment process. It allows a person to detect cultural differences in a short period of time and by doing that and being flexible – to learn how to deal with the new situation.

4.1.1.2 The selection process

When it comes to the selection process, social and technical skills were the examined ones, according to the respondents (see table 4.2). The selection process was conducted mostly

within the company and usually did not involve interviewing the employees' partners. One employee A stated that the recruitment process involved the person's partner, six employees said it did not and three of them did not have a partner at the time of the selection process.

Table 4.2: **The selection process examined your**					
	Strongly disagree	*Disagree*	*Neutral*	*Agree*	*Strongly agree*
Adjustment skills		2	4	2	2
Social skills		**2**	**2**	**4**	**2**
Internat. Experience		2	4	3	1
Technical skills		**2**	**3**	**1**	**4**
Career history	1	2	3	2	2

Employees A stated that the selection process focused foremost on their *social skills* and secondly on the *technical skills* that they possessed, which shows that the company still chooses the expatriates based on technical and functional abilities, a method described by Mendenhall, p. 25. All the other skills were treated equally. This does not come as a surprise as the respondents come from a Swedish company where the mindset is different than in those from of Asia, Eastern Europe etc. The emphasis is put on interpersonal interactions and there is little hierarchy between different levels of employees. The problem here might be that if the expatriates are sent to a country with a significantly different culture, where e.g. career history and technical skills are most valued, they might have a problem with adjusting their working style to the one in the host country.

Even though ABB also seemed to look at the expatriates technical skills, which was specifically emphasized in the past, the social skills were more important. We do not know what kind of assignments the expatriates have been given which makes it difficult to say exactly what the company should have examined according to Tung, p. 25-26. However, since most of the expatriates were chosen from within the company they must have possessed some unique knowledge or skills needed for the assignments. This can better explain the focus on adjustment and technical skills.

Moreover, when an expatriate is sent to a country with a significantly different culture, the company should also take into consideration his family situation and include the spouse and/or children in the interview process, as depicted in figure 3.1 p. 26. This was a step in the process suggested by Tung for the expatriates sent to very diverse cultures than their own. However, ABB did not find it important enough in most cases. This was the case for most of these respondents. Six of the seven respondents that had a partner admitted that the partners were not taken into account during the selection process. This can have dire repercussions on the success of the assignment.

4.1.1.3 Expatriate training

Most of the respondents agree that it was not hard to interact with their co-workers and they did not have problems adjusting to the new physical environment. They also did not find that language was a problem when working in the host country. However, most of them agree that CCT would be beneficial for them when working in the new environment. Most of them would also prefer to visit the host country and host company prior to starting their assignment there. Nine out of ten employees A would prefer to take part in CCT of some sort, for a majority of them the most beneficial form of training would be look-see visits and mentoring. The next most popular answers were language training and seminars. Family training did not seem that important and simulation was seen as the least popular form of training that the expatriates would choose (see table 4.3). It should last up to a week. The respondents among themselves do not agree on whether lack of CCT can lead to expatriate failure.

Table 4.3: Preferred training	
Mentoring	8
Look-see-visit	7
Language training	4
Seminars	4
Family training	3
Simulation	2

Once again we used the training methods described in our theoretical framework (table 3.2 p. 30). The methods are not ranked in any way, we wanted our respondents to suggest how the ranking might be according to them.

The most popular type of training that employees A would have preferred was *mentoring*. A mentor is a person from the local business unit who knows the culture of the host country as well as the working conditions. S/he can help the expatriates to avoid unnecessary misunderstandings. As the respondents all have experienced working abroad, they are aware that the most beneficial form of training would be to have a guide that would help them to deal with the new cultural environment and new responsibilities which makes the choice of mentoring the ultimate form of CCT, according to what the untrained expatriates point out.

The second most popular type of training was *look-see visits*. By visiting the host country before starting the new assignment there, it is possible for the future expatriate to experience the new culture and the company's business unit that they will be working in. *Culture seminars* and *language training* were not among the types of training that was seen as most beneficial. It may depend on the fact that employees A come from a Swedish company where probably everybody can communicate in English. Also, culture seminars will not be necessary if the expatriate will be assigned a mentor or go for a look-see visit to the host country. Mentoring and look-see-visits are also a way for an expatriate to actually experience the culture in real life.

Ranking the two types as highest might also indicate that the employees are aware of the fact that it is difficult to adjust to the new cultural environment without any sort of training.

They see the look-see visits as a possibility to diminish the culture shock and acquire some background knowledge on how to adjust from the very beginning and avoid making mistakes. When it comes to mentoring, it has been shown that this form of CCT is more effective than any training conducted prior to departure. The respondents can also assume that they would increase their understanding about the host country by interacting and getting help from a person chosen from the local workforce. These two aspects have been shown in the studies conducted by Bird et al. and Vance and Paik, p. 29-30.

As we predicted mentoring and look-see-visit are ranked highest, this seems logical since practical ways of learning new things involves also using the new knowledge. These untrained expatriates focus on the same thing possibly because of that reason, although another reason could be that they are speaking from experience. They know what was lacking from their experience of working abroad.

From the results we can also draw the conclusion that both language training and seminars are more important to our respondents than family training. That might be because the expatriate comes in first hand. It is s/he that has to learn to cope in the new environment first and foremost.

4.1.1.4 Expatriate failure

Not being flexible received highest score as one of the three possible reasons for expatriate failure. The second one was the lack of social skills. Expatriate and his/her partners inability to adjust were also placed quite high. Lack of self confidence, on the other hand, was not seen as a drawback that would have a strong influence on the expatriate's performance, neither did the lack of technical skills (see table 4.4).

Table 4.4: **Possible reasons for expatriate failure**	
Not being flexible	**8**
Lack of social skills	**7**
Partner's inability to adjust	**5**
Expatriate's inability to adjust	3
Not showing respect	3
Not able to handle uncertainty	2
Lack of motivation	2
Lack of cultural empathy	2
Lack of technical skills	1
No/little self confidence	1

We chose to divide this question of possible expatriate failure into two parts. One were we examine the skills of a good expatriate compared to which lack of skills that can lead to failure. The second part follows below named "the hardest thing" that examines what the expatriates found most difficult on their assignment abroad.

According to employees A, the most important features that a good expatriate should possess are:

1. Motivation
2. Social skills
3. Flexibility/Ability to adjust/Cultural empathy

However, there is only little difference to how they perceive reasons for expatriate failure with respect to the good expatriate features. As we can see, *not being flexible* and *lacking social skills* are the two reasons for expatriate failure that were chosen by the highest number of respondents, see table 4.4. They were also among the top three features that a good expatriate should possess. The reason for placing flexibility so high might be that it is possible to interpret this term in many ways, which is one of the major problems when using a questionnaire as the research tool. Social skills were ranked high in both contexts. This might indicate that employees are speaking from experience and that being able to interact with other people makes it much easier for en expatriate to succeed in the assignment abroad. In the context of expatriate failure, motivation is ranked as number five, which is difficult to explain without having conducted an interview.

Why a partner's inability to adjust precedes an expatriate's inability to adjust may have a simple reason. Stability or instability in the home life of an expatriate can very well follow him/her to work and cause problems in the workplace. It is more often the expatriate that knows what is expected of him/her and they can then more easily adjust to new situations.

4.1.1.5 Obstacles

The most difficult things for the expatriates were to help the family to adjust and to adjust oneself to the new situation as well as handling the uncertainty of having or not having the right skills to succeed on the new post. Employees A had little problems with interacting with the new colleagues and handling the culture without proper training (see table 4.5). There was a possibility for the expatriates to name a few problems themselves by using the answer "Others". However, even though a number of them selected the option, we only received a small number of explanations what "Other" meant to them. Those were: different working environment (a smaller department), insurance problems, little help from the locals, being separated from one's family throughout half of the stay abroad, cafeteria food and bureaucracy.

Table 4.5: **The hardest thing on your assignment abroad**	
Helping my family to adjust	**5**
Adjust to the new cultural environment	**4**
Handle the uncertainty if I had the right skills	**4**
Handle the new responsibilities	3
Adjust to the new physical environment	2
Overcoming language barrier	2
Handle the new culture without proper training	1
Interacting with my co-workers appropriately	1

As a complement to the question of what can cause expatriate failure, we wanted to know what employees A found to be the hardest thing about working abroad. The first five ranked in table 4.5 are the reasons Darby states for expatriate failure on p. 31. This shows that the results of our research are anchored in the theories that have been developed in the field and makes our results more believable.

'*Helping my family to adjust*' was ranked as one of the hardest things to deal with by the largest number of respondents. A reason for that may be that family life is very important to the expatriates and they feel responsible for the way everyday life works for all the family members. What is more, the atmosphere within the family can influence the expatriate's ability to deal with the new situation. However, six out of seven respondents whom had partners stated that they were not included in the selection process. This can give a strong indication that partners should be included when an expatriate is chosen.

The next highest ranked problems that the expatriates experienced abroad were to *adjust to the cultural environment* and *to handle the uncertainty whether they had the right skills* for the new assignment. It takes time to get to know the new culture and learn to become a part of it. Since for the most of the respondents this was the first assignment abroad, they did not know whether or not they possessed the knowledge to perform and if they could actually perform on the job.

4.1.2 Introduction of the trained respondents (employees B)

The three respondents that had been provided with CCT were two males (separated as male1 and male2) and one female, they were between 20 and 40 years old. The three of them also worked for the same company, ECCO. They have all worked abroad between one and two years and have been on 1 (female) and 2-3 (males) assignments in another country. All three of them consider themselves a part of European culture and have been assigned to work in Asia and were recruited from within the company. Neither of them felt they had much knowledge of Asian culture before the assignment.

Below follows the gathered empirical results and analysis of the 3 trained expatriates whom worked for ECCO in Denmark.

4.1.2.1 Skills of a good expatriate

All the respondents agree that it is important for an expatriate to have good adjustment skills to cope in a new environment. The female and male1 respondent also agree that an expatriate should be good at handling uncertainty, while the male respondents agree that it is also important to be flexible and patient (see table 4.6). We should point out that we only wanted respondents to choose the three most important skills, however, male1 still chose six skills in total.

Table 4.6: **Which skills should a good expatriate possess**			
	Female	*Male1*	*Male2*
Good adjustment skills	X	X	X
Flexibility		X	X
Good at handling uncertainty	X	X	
Patience		X	X

As explained above, this question is only based on table 3.1 p. 25, because we wanted to know what the expatriates found important. The features chosen by employees B that did take part in CCT provided by their company differ slightly from those chosen by employees A. These skills are not among the first mentioned by Schneider and Barsoux. However, the difference here can depend on the fact that it is not that important with strong motivation if one is aware that the company provides its employees with CCT.

All three employees B state that *good adjustment skills* are the most important for an expatriate to possess. It might indicate that these respondents, as opposed to employees A, had a different understanding of what was important for an expatriate. However, the answer could have been influenced by the fact that they have participated in CCT and thereby acquired more knowledge about the issue.

Another feature that both groups of respondents found important was *flexibility*. The reason for this is probably the fact that an expatriate will be able to adjust to the new environment in a relatively short period of time. Another two features that were ranked as quite important were *patience* and *ability to handle uncertainty*. Living and especially working in a different culture, than one's own, demands a lot of patience from an expatriate. The adjustment process and getting to know the new culture as well as the new working environment takes time, thus the need for being patient. As for being able to handle uncertainty, it is possible for a person to predict certain events when working in the home country. However, when working in a country whose culture is not similar to one's own, it is more difficult to make prognoses about the future as it is necessary to take into consideration many other different factors.

4.1.2.2 The selection process

When the company conducted the selection process only the two male respondents confirmed that it had included interviewing their partner. The female and male1 respondents both agree that the recruitment process focused on testing their adjustment and social skills, as shown in

the table below. However, the male2 respondent did not find that the company put as much emphasis on his adjustment or social skills as on his international experience. The female respondent also listed international experience very high (see table 4.7).

Table 4.7: The selection process examined your					
	Strongly disagree	*Disagree*	*Neutral*	*Agree*	*Strongly agree*
Adjustment skills		male2		*2*	
Social skills	male2			*2*	
Internat. Experience			2	female	
Technical skills	male2		female	male1	
Career history		male2	2		

The first and second most examined skills were adjustment and social skills. This can indicate that ECCO is more aware of cultural factors as they provide their expatriates with CCT. Another reason for this can be that the company they work in allows them to develop cultural awareness to a high degree, and therefore they focus more on that skill themselves as well. This indicates that ECCO has moved from testing only technical skills of their future expatriates to testing the social and adjustment skills, a trend that was described by Levy-Leboyer on p. 25.

Once again we are not sure what the expatriates' assignment included, and can therefore not compare to Tung's research of what the company should have examined in the selection process. All the respondents were also chosen from within the company which can indicate that these expatriates possessed other skills and knowledge that local workers did not have.

The difference between a European culture and Asian culture is quite vast. Once more according to Tung's research and figure 3.1 p. 25-26, it is important to then also include the expatriates' partner in the selection and training. However, it was only the female respondents partner that was not included in the selection process.

4.1.2.3 Expatriate training

All of the respondents come from a European culture and were assigned to work in Asia. Both the female and male2 respondents felt that it had been difficult to interact with their new colleagues for quite some time. The male1 respondent only found it hard to interact initially. Moreover, it was hard for the female to adjust to the new physical and cultural environment and she found that the new language was a barrier as well. Both of the male respondents also found it difficult to adjust to the new cultural environment and to overcome the language barrier. Male2 furthermore also found it hard for his family to adjust in the new cultural situation.

The female respondent's CCT took place both before and during her assignment abroad and consisted of language training. The male respondents both received pre-departure training for one to two days. Male1s training included seminars and family training, whereas male2s training consisted of seminars and look-see-visits.

All three respondents think that the training they received helped them to adjust to the new environment while working abroad. However, the female and male2 respondent also indicated that they would have wanted additional training to complement the language training, seminars and look-see-visits. These three respondents that took part in some kind of training, all think that when companies send their expatriates abroad without any training their assignments could very well lead to failure because of that simple fact.

Traditionally, CCT is passive, theoretical and conducted before the expatriate leaves on assignment. This only goes in line with male1's training and he also seemed to be the one most satisfied with his training. However, the female did not receive any other more extensive training than language training. The male2's training seemed more balanced but he was not content with it either. That might have been because his partner was not included in it.

Both the female and male2 respondents found it hard to interact with their co-workers and they also stated that they would have preferred more training. The female respondent only had language training, which can indicate that she did not learn the proper tool to appropriately interact in the workplace. The male2 respondent received training in the form of seminars and look-see-visit, which obviously was not sufficient enough in his case. He would also have benefited from learning more about interacting with people from another culture. If you also take a look at figure 3.1 p.26, Tung states that if the cultures are very different the training has to be most rigorous. That would include sensitivity training, which means that the expatriate needs to change attitudes, learn to be flexible and be accepting of the differences. They also need field experience in the form of probation, look-see visits, which only the male2 respondent received. However, that would also imply that the company has to distribute both the time and money to accomplish that kind of training, which probably most companies do not.

All of them found it difficult to adjust to another culture, which is understandable. The Asian culture is quite different from any European culture and it is difficult to understand and to adjust to every aspect of that culture. This might mean that even though ECCO provides its employees with CCT, the company is not prepared well enough to fit the needs of the expatriate's. The reason for this is that with the fierce competition on the market, it is important to remain as productive as possible. Helping the expatriates to adjust to the new culture usually leads to expatriate success, which in its turn will allow the company to maintain competitive advantage and be productive, according to Treven, p. 28.

4.1.2.4 Expatriate failure

We also wanted to know what the respondents thought could be possible reasons for expatriate failures. The three respondents listed not being flexible as a possible reason for

expatriate failure. The female and male1 respondents both chose lack of cultural empathy as another reason. The female respondent's third reason for expatriate failure was not being able to adjust in the new environment. The male respondents both listed the partner's inability to adjust and not being able to handle uncertainty as reasons for failure (see table 4.8). Even though we wanted respondents to only list three main reasons for this question the male1 respondent listed six. His two other reasons for expatriate failure are: not showing respect as well as lack of patience.

Table 4.8: **Possible reasons for expatriate failure**			
	Female	*Male1*	*Male2*
Not being flexible	X	X	X
Not able to handle uncertainty		X	X
Lack of cultural empathy	X	X	
Partner's inability to adjust		X	X

The four most important skills a good expatriate should possess according to employees B are:
1. Good adjustment skills
2. Flexibility/ Good at handling uncertainty/ Patience

Lack of flexibility was the highest rated possible reasons for expatriate failure, and the second rated was *not being able to handle uncertainty*. That coincides with what the respondents have chosen to be the most desirable features of a good expatriate.

Other answers that were marked high were the *lack of cultural empathy* and *partner's inability to adjust*. Choosing lack of cultural empathy as one of the reasons for expatriate failure may depend yet again on the fact that employees B had taken part in CCT which raised their awareness of what actually is important when going abroad. Partner's inability to adjust can also lead to expatriate failure. In such a situation, expatriate's attention focuses more on the spouse's problems instead of his/he own problems or simply on the tasks they have to perform. This might indicate that the support for the decision to become an expatriate comes from the family and if for some reason it decreases, it has strong negative influence on the expatriate's performance.

All the above indicates that the expatriates are aware what features are necessary for an expatriate to succeed. The most important skill chosen by the respondents is also the first one mentioned by Darby on p. 31. Choosing this feature as the most important one might depend on the fact that employees' B cultural awareness is high and they are aware of the fact that in order to work in a different culture, it is necessary to adjust to it as soon as possible.

4.1.2.5 Obstacles

Working in another culture can be very trying so we asked what the hardest part of working abroad was. Both the male respondents thought that the hardest part was to adjust to the new cultural environment. The female and male2 respondent also agreed that it was hard to interact with their co-workers (see table 4.9).

Table 4.9: The hardest thing for you on your assignment abroad			
	Female	*Male1*	*Male2*
Adjust to the new cultural environment		*X*	*X*
Interacting with my co-workers appropriately	*X*		*X*

Employees B stated that the two most difficult things on their assignment abroad were to *adjust to the new cultural environment* and to *interact with their co-workers appropriately*. The first issue can be related to the CCT and it is also in line with the respondents' previous answer that ability to adjust to the cultural environment is the feature that a good expatriate should possess. It is also a point presented by Darby on p.31. The fact that it was difficult to interact with their co-workers might depend on two factors. First, maybe the training they received was not sufficient and did not match the needs of the employees. Also, maybe it did not tackle the communication problems that might occur in the host country and therefore there appeared a gap between what both parties expected from the cooperation. The female respondent did not have any training that could have enhanced her interaction skills. The two male respondents had some kind of seminars, but they seem to have been lacking in this area too. However, the male1 respondent that received both family training and taking part in seminars was the most well adjusted out of the three respondents whom had training.

The respondents also found it hard to overcome the language barrier, however we believe this was more of a problem for them outside of work. At work they probably could get by with communicating in English. The female respondent was the only one that had any language training, both before and during her assignment. She found the language barrier difficult as well which could show that an expatriate has to go through an extensive education before the language training is going to help. This is based on the assumption that she was learning an Asian language. Extensive learning is needed especially if the language is very different from one's own.

5. DISCUSSION AND CONCLUSIONS

In this chapter we will compare the results that we have received from both groups with respect to each other. We want to see whether there are any patterns in the data provided by the respondents and based on that we will come to some conclusions about this study.

5.1 Comparing employees A and employees B

First and foremost, we have to point out that the results we will analyze in this part of the thesis come from only thirteen respondents. Ten of them are culturally untrained expatriates and the other three have received some kind of training. Therefore, it might be difficult to draw conclusions from the comparison between employees A and employees B. We think that even though the number of respondents is so small, it is still interesting to investigate the results and see if there still are any apparent patterns.

5.1.1 Skills of a good expatriate

Table 5.1: **Which skills should a good expatriate possess**	
Rank	**Untrained**	**Trained**
1	Motivation	Adjust
2	Social skills	Flexible
3	Flexible	Uncertainty
3	Empathy	Patience

There is a significant difference between what employees A and employees B see as the skill that a good expatriate should possess as seen in table 5.1. Employees A place motivation as the most important feature. This is probably because they know that it is difficult to work in a different culture and that they will not receive a lot of help from the company since CCT is not provided. Therefore, they feel that an expatriate should be very motivated to fulfil his/her assignment successfully.

Employees B place adjustment skills as the most important feature for an expatriate. As we have mentioned before, employees B have received CCT before going abroad. This has surely influenced the way they think about assignments abroad. Moreover, they are aware that their company can provide them with this kind of help. This is why their attention can be drawn to the importance of being able to adjust to the new environment in order to fulfil one's duties in the best possible way.

The only feature that both groups of employees see as relatively important is flexibility. This might indicate that both employees A and employees B consider that being able to easily change environments and the way of working is important for the expatriates (even though employees A did not directly point out that adjustment skills are important).

Based on the input from the respondents and our reflections over their answers, we have come to the conclusion that the three most important features that an expatriate should possess are:
- motivation
- adjustment skills
- flexibility

5.1.2 The selection process

Table 5.2: The selection process examined your		
Rank	Untrained	Trained
1	Social skills	Adjust
2	Technical	Social skills

Both groups of respondents have mentioned that social skills have been examined in the selection process to a quite high degree (see table 5.2). This does not come as a surprise, since an expatriate has to be a social person in order to perform well on the job. Social skills allow him/her to get to know their colleagues and by doing that better understand the way they behave. It also shows that companies are taking a step forward and not solely relying on the expatriates past track-record and technical skills, as it has been in the past.

The other two features that were quite thoroughly examined in the selection process differ for the two companies. The first one focused on the technical skills; that is, the person's ability to fulfil the new duties. The second company mostly focused on the adjustment skills of the future expatriate. This can very well depend on the fact that the two companies are driven by different factors. The company that examines the adjustment skills in the selection process is the one that also provides CCT. Therefore, their view on what actually are the most important features to have when going on an assignment abroad is influenced by the company's mindset. The company that does not culturally train its expatriates puts more focus on their technical skills. This can indicate that their mindset focuses more on the ability to perform new tasks rather than the adjustment to cultural differences.

> The company's mindset has a strong influence on how the selection process is conducted and which of the potential expatriate's skills are tested.

5.1.3 Expatriate training

Table 5.3: What type of training would you have preferred	
Rank	Untrained
1	Mentoring
2	Look-see visits
3	Seminars
3	Language

Table 5.4: What type of training did you take part in
Trained
Language
Seminars
Family training
Look-see visits

Most of employees A have decided that they would have preferred to take part in CCT in form of mentoring (see table 5.3). Look-see visits were ranked as second most popular type of training and later came seminars and language. Employees B received training in form of language training, seminars, family training and look-see visits (see table 5.4). Three of the types of training preferred by employees A were actually provided by the other company. This might indicate that once the company decided to spend money on such activities, it has a good idea of what the employees might need. As for mentoring, this is the most desired type

of training but it was not provided for employees B. There might be a lot of different reasons for that. The most important one seems to be that this type of training would be costly and time-consuming for the mentor. Costly, as the company would probably have to pay additional amounts of money for someone to take care of the new expatriate. This type of training would also be time-consuming as the best kind of mentor would have to be a person chosen from the locals working for the same company. This means that the mentor would have less time to spend on his own assignments. Being trained by a person chosen from outside the company would be beneficial but probably only when it comes to getting to know the host-country's culture in general, with little focus on business culture.

> When preparing to start CCT within a company, it is important to look at the needs of the employees as they might know better what form of learning they prefer. However, this has to be balanced with the estimated costs vs. the benefits of the training.

5.1.4 Expatriate failure

*Table 5.5:* **Possible reasons for expatriate failure**	
Rank	**Untrained**	**Trained**
1	Not being flexible	Not being flexible
2	Partner's inability to adjust	Partner's inability to adjust, lack of cultural empathy
3	Lack of social skills	Uncertainty

Not being flexible and partner's inability to adjust are the two possible reasons for expatriate failure that were chosen and at the same time ranked highest by both groups of respondents (see table 5.5). Both groups see the same reasons for expatriate failure as very important. Not being flexible has a lot to do with being able to change one's way of working when being in a different environment and it does not come as a surprise that this reason was mentioned by employees A and employees B. Partner's inability to adjust indicates that expatriate failure can just as well begin at home, when due to the partner's problems with adjusting to the new culture, the expatriate gets little support necessary for his own work and cannot put as much effort as he/she would like to into the new tasks. Because of this it is very important for companies to keep the expatriates family in mind when selecting and training their expatriates.

The trained expatriates have also chosen the lack of cultural empathy as the second most important factor (together with partner's inability to adjust). This might also be a link to the fact that the company they work for focuses a lot on the cultural problems that an expatriate can encounter when working in a different country; especially as the expatriates had been sent to Asia, where most cultures are significantly different from the European ones.

> Again, we can conclude that the views on the reasons for expatriate failure depend on the company's internal culture (a culture that a company develops itself and that does not have to depend on any national/regional culture) and the position that cultural issues have within the company. However, there are certain issues that are understood by the expatriates regardless of what company they work for. It is important for an expatriate to be flexible and also incorporate his/her family in the whole process.

5.1.5 Major obstacles on assignments abroad

Rank	Untrained	Trained
	Table 5.6: **The hardest thing**	
1	Help family to adjust	Adjusting to culture
2	Adjusting to culture, uncertainty of having the right skills	Interacting with co-workers

Adjusting to culture was among one of the hardest things for both groups of expatriates as seen in table 5.6. Apart from that, the biggest problems that the respondents mentioned were helping the family to adjust, interacting with co-workers and dealing with the uncertainty of having the right skills.

The differences here may be yet again explained by the fact that employees A did not receive any training and their attention was focused on different aspect of being an expatriate (not necessarily dealing with a different culture). As for helping the family to adjust, employees A put this problem as the hardest one to deal with when abroad, whereas employees B did not mention it at all. As mentioned before, six of the seven employees A that had partners were not included in the process. That may have caused problems for the assignment as their partners were not clear about what to expect. For the employees B this might mean that they are not worried about the adjustment of their families even though it can lead to failure as established before. But because they know that the company can provide them with family training.

> Regardless of taking or not taking part in CCT, people find it hard to adjust to new cultures. However, being aware that the company one works for provides CCT, influences what is actually seen as a problem when going abroad and can result in decreasing certain difficulties.

More and more companies become multinational, which creates the need for the employees (especially those who are going to work in a different country than their own) to get to know other cultures and develop the skills that will facilitate the process of becoming an expatriate. Therefore, it should be a concern of both the company management and the employees themselves to find the best way to learn the new skills and develop the existing ones. Moreover, a culturally well educated expatriate is, as the studies prove, less likely to fail. One way of educating future expatriates we think would be to provide them with CCT.

5.2 Final conclusions

The thesis statement:
How can personal characteristics, the family situation and CCT influence an expatriates success or failure?

The results of our analysis and discussion weighing in the final conclusions and our own thoughts leads us to believe that an expatriate needs to be motivated, willing and able to adjust in new situations and find the flexibility to do so to succeed on assignments abroad.
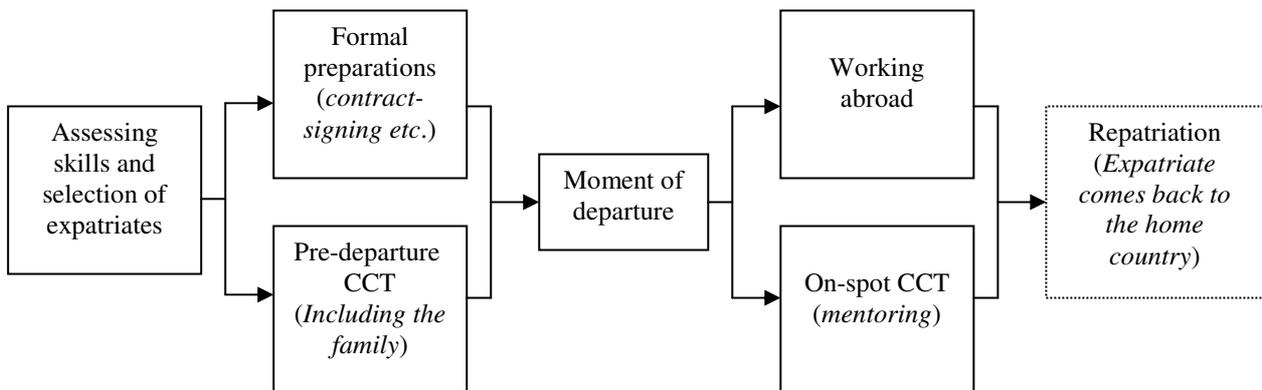
This answers the first part of the thesis statement. We find that expatriates need a specific set of characteristics to cope well in a new situation to succeed.

The selection process that an expatriate has to be prepared for is much influenced by what the company wants for the job. As it is when companies conduct interviews for any other job. However, when it comes to choosing an expatriate the family situation plays an important role that they all need to consider for the future success of the assignment. *This answers the next part of the thesis statement saying that the family situation has a crucial role in the success of an assignment.*

If that company is then even willing to provide their expatriate with proper training, they have to weigh costs against benefits to figure out the optimum mixture of training methods. However, another important part in choosing the training is that, once again, the family has to be included. Based on the answers of our respondents and our discussion we have come to the conclusion that CCT should start prior to sending an employee abroad and conducted in the form of cultural seminars and look-see-visit. However, an ideal situation would be if the future expatriates could be taken care of by a mentor from the host country business unit. In this case, the expatriate would be able to ask questions and discuss problems during a certain period while working in the host country. This would allow him/her to learn by observing and living the new life but there would still be a possibility for clarification of misunderstandings. This type of CCT would be more personalised and tailored specifically to the needs of each expatriate, which is important since people's needs differ from each other in the way they think, adapt to different situations and cope with unexpected problems. *Finally, this gives an answer to the final part of the thesis statement. CCT has proven to be an important tool that both our trained and untrained expatriates would like to make use of, and it is clear it can increase expatriate success. The importance of the family situation is also included in this section, although it does not take the highest position. This can depend on the fact that the employees have not fully realized the importance of familty training.*

If these steps are taken to ensure that the expatriate and his/her family are secure in understanding and also able to tackle problems that they can encounter on the assignment, we believe there is a better chance for success. Even though there can occur unforeseen events, the expatriate would be better prepared and failure rates would not be that high.

Figure 5.1 below describes our final conclusions about where CCT should be conducted in the process of preparing an expatriate for the assignment abroad. It summarises our views that the most beneficial would be the pre-departure and post-arrival training. The model does not show how long these types of training should last as that is probably up to the expatriates and the companies they work for (financial issues etc.). The first step is to assess the expatriates' skills, develop new and enhance existing characteristics that are important for the assignment. As stated above, the main conclusion of the thesis was that the training should start before sending the employee abroad; it should also include the future expatriate's family. Moreover, to get the best results in developing the expatriate's ability to adjust to the new culture and cultural empathy, the training should continue during the time spent abroad. This could be conducted in form of mentoring which seems to be the most desirable type of training. Repatriation is something we have not discussed in this thesis but it should also be taken into consideration that after having spent a long time abroad, the repatriate might need cultural training to adjust back to the culture of the home country.

Figure 5.1: **The thesis model**

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┌──────────┐      ┌──────────────┐                          ┌──────────┐
│          │   ┌─▶│   Formal     │                          │ Working  │
│          │   │  │ preparations │                          │  abroad  │
│          │   │  │ (contract-   │                          │          │
│ Assessing│   │  │ signing etc.)│                          │          │
│ skills and   │  └──────────────┘    ┌───────────┐   ┌────▶└──────────┐      ┌──────────────┐
│ selection of │                      │ Moment of │   │                       │ Repatriation │
│ expatriates  │                      │ departure │───┤                       │ (Expatriate  │
│          │   │  ┌──────────────┐    └───────────┘   │                       │ comes back to│
│          │   │  │ Pre-departure│                    │    ┌──────────┐       │ the home     │
│          │   └─▶│     CCT      │                    └───▶│ On-spot  │       │ country)     │
└──────────┘      │ (Including the│                        │ CCT      │       └──────────────┘
                  │   family)    │                        │(mentoring)│
                  └──────────────┘                        └──────────┘
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The main conclusion of the study, based on the responses to the questionnaire, is that when choosing an employee to become an expatriate and be sent on an assignment abroad, it is important for any MNC to take into consideration two main factors:

- Expatriate's personal characteristics
- Expatriate's family situation

What is more, the future expatriates should be provided with CCT in order to enable them to adjust themselves to the new cultural and physical environment as fast and effortless as possible. CCT will also help them to cooperate with their co-workers, which might have a direct influence on the quality of relationships between them by facilitating the interactions. The model presented above reflects our thoughts on when CCT should be embedded in the process of preparing the expatriate for the assignment abroad.

5.3 Key learnings

By conducting this study, we have learned that when selecting an expatriate, it is important to examine more than just technical skills and working experience. A company that wants to decrease the probability of expatriate failure should take into consideration the expatriate's personal characteristics and family situation, as well as provide the expatriate with some form of CCT. This is the conclusion that both groups of respondents that we have worked with agree upon.

One thing one could argue about is whether the study has been conducted in the best possible way. The idea we had was to conduct a quantitative study to investigate whether expatriate failure depended on the factors mentioned above and whether CCT was seen as a useful tool in facilitating the adjustment to the new cultures and working environment by both the expatriates who had been provided with CCT and those who had not. We have had difficulties in conducting our study this way and this might have depended on several factors, the most important of them being that MNCs rarely have the time or even the desire to help students in their work. Taking this into consideration, we can assume that it might have been helpful to ensure the companies even more that they would not have to put an enormous amount of time to answer our questionnaire. On the other hand, it would be important to show that they can

draw actual benefits from participating in our study. We might have not been clear enough about this when contacting the companies.

Another reason for us not being able to reach a sufficient number of companies is that Human Resource Management is often an issue that is not discussed with individuals from outside the company. Therefore, the companies often deny any requests that regard this type of information, something that we did not realize from the beginning. We were convinced that the matter of reasons for expatriate failure was an issue that the companies would want to get to know more about since it had a direct impact on the company's performance (direct and indirect financial costs etc.). The reason for this could have been that student research is not seen as reliable and that it does not have any scientific value. This is something we cannot argue with.

One issue that we also see as an important learning that we acquired by conducting this study is that a well-constructed questionnaire is necessary. In our case, some questions might have been irrelevant and some could have been formulated in a clearer way in order to better fulfil the purpose pf the study. This would have helped us to avoid unclear answers and problems with the analysis of empirical material.

However, we do believe that conducting a quantitative study is the best way to investigate whether the three factors were actually most important in expatriate success and how CCT was perceived by expatriates who did and did not participate in it. In our study we conclude that there is little difference between how the two groups of respondents perceive CCT, which might give way for more research in the field.

5.4 Suggestions for future research

We suggest that more studies should be conducted in the field of CCT for expatriates and even in the field of cultural differences. There is a need for research on how effective CCT is in reality, research that is not conducted by the companies themselves (those who specialize in giving training and those who provide the training to their expatriates) but by non-partial scientists. Moreover, there is a need for further research on the problems of repatriates that can find it difficult to adjust back to the culture of their home countries.

Even if this thesis cannot be seen as sufficient for generalising about the effectiveness of CCT and the personal characteristics of a good expatriate, it can surely be treated as the first step, or the introduction, to a larger quantitative study.

6. CRITERIA OF VERACITY

Criteria are used to test and measure the quality of a thesis. We chose to use the criteria described for both a quantitative and qualitative research method by Bryman. These four criteria named below are best used to assess the veracity of our qualitative thesis, which was meant to be a quantitative from the beginning.[1]

6.1 Reliability
Since we had such a low percentage of respondents it is more difficult to know if a similar study would show the same results again. We wanted to test the questionnaire again but with all the problems we have had gathering the empirical data it was a hopeless pursuit.[2] Because of the low response rate we could not do any other reliability test like the bisection method (randomly dividing the results in two groups to be tested against each other) or the parallel method (two different surveys constructed to measure the same thing). However, we did have some control questions in the questionnaire that measured the same thing.[3] Based on these statements the level of reliability of this thesis can be questioned, but it is also due to circumstances that were out of our hands. If we would have had a better response to our subject and questionnaire we would have taken the necessary steps to ensure better reliability.

6.2 Replication
Throughout the writing process we have tried to explain the exact steps we have taken to come to our conclusions. But replication of a qualitative study can be very hard to do since it is impossible to freeze that exact environment the researchers have been working in.[4] But our study was based on a quantitative method which makes this qualitative study easier to replicate. We included the questionnaire as an appendix to also show what the content and conclusions of this thesis are based on. The questionnaire we used can most definitely be applied to investigate other companies with trained and untrained expatriates, which makes replication possible.[5] However, we cannot ensure that companies are cooperative as we have certainly encountered difficulties with that. We have had a hard time trying to get people involved in this issue. We did not think that this subject about helping people understand cultural differences would be such a controversial subject. But we hope that this will change in the near future. CCT is a very important issue to consider, especially for MNCs around the world. We have also given the names of the two companies that did want to participate in the survey, which additionally reinforces replication.

6.3 Validity
The model we have used to gather our results is a simplified picture of reality. Simplicity discounts the many varieties that is human reality.[6] But however small group of respondents we had to test the model on, we think the results point in the same direction as many other studies have done. But because of the lack of respondents we also might not have seen if there is any other variable that could have caused the same assumptions shown in the empirical

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[1] Bryman, *Samhällsvetenskapliga metoder*, 258.

[2] Crister Stensmo, *Vetenskapsteori och metod för lärare* (Uppsala: Kunskapsföretaget, 2002), 31.

[3] Ejvegård, *Vetenskaplig metod*, 68-69.

[4] Bryman, *Samhällsvetenskapliga metoder*, 257

[5] Ibid., 43.

[6] Göran Wallén, *Vetenskapsteori och forskningsmetodik* (Lund: Studentlitteratur, 1996), 62.

data.[7] Since our questionnaire had mostly closed questions, we saw no need to inform our respondents about our interpretation of their answers. We think that the answers cannot be read in that many ways to confuse the issue which the respondents wanted to mediate. But that also takes away some of the inter-subjectivity in this thesis. Since it was an anonymous questionnaire we cannot go back and ask the respondents any follow-up questions. But upon completion this thesis will be sent to the company of the respondents', and then they will have the opportunity to respond and give us feedback about the truthfulness of our results.[8]

The question is if our results can be transferable to other contexts? The answer has to be two-sided. On the one hand, we only had thirteen responses to our questionnaire which doesn't give us the power to say that the results can be generalised. On the other hand, it is our strong belief that this little study still points a finger in the right direction. In our mind, logically, everyone needs some kind of education before handling something that is largely new and unfamiliar, as expatriate assignments can be.[9]

6.4 Practical applicability

We find that our results are applicable in an expatriate's work. The results indicate that CCT should be a part of an expatriate's everyday life when they are working in another country. The results are also beneficial for companies to better understand why they should provide their expatriates with CCT. For these reasons, this thesis can help expatriates in their work to better understand that they might need help before going on abroad assignment. They can also realise that there actually is some kind of help, namely CCT. The thesis can help companies to realise that they need to start thinking about spending money on CCT programs. That way they can cut expenses when assignments fail or do not bring desired results, and turn profits in spite of the costs of CCT.[10]

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[7] Bryman, *Samhällsvetenskapliga metoder*, 44.
[8] Ibid., 258.
[9] Ibid.
[10] Ibid., 45.

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Appendix A

Cross-cultural training

*We are two students from the University in Umeå that are writing our Bachelor thesis about cross-cultural training. Our purpose is to examine if training can be used as a tool to help expatriates to adjust in culturally new environments abroad. All our respondents will of course have total anonymity, and we truly appreciate your contribution. It takes about **10 minutes** to fill in the questionnaire.*
Please send the completed questionnaires to: maakaa03@student.umu.se

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Definitions: *Cross-cultural training* - A process that improves the individual's skills to work/live in a different culture.
Expatriate - An employee that relocates from one country to work in another.

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1. I am ☐ Male   ☐ Female

2. I am   20-30   31-40   41-50   51-60   61<   *(years old)*
             ☐   ☐   ☐   ☐   ☐

                                                1   2-3   4-6   7-9   10<
3. How many assignments abroad have you been on? ☐   ☐   ☐   ☐   ☐

                                          (years)   <1   1-2   3-4   5-6   6-7   8-10   10<
4. How many years have you worked abroad (in total)? ☐   ☐   ☐   ☐   ☐   ☐   ☐

5. Which culture do you consider yourself a part of?
   European   Asian   North American   South American   Australian
   ☐   ☐   ☐   ☐   ☐

6. The countries you have worked in, which cultures do they fit in?
   European   Asian   North American   South American   Australian
   ☐   ☐   ☐   ☐   ☐

7. Did you have any prior contact with, or knowledge about the country you where assigned to?
   ☐ Not at all   ☐ Yes, but very little   ☐ Yes, a little   ☐ Yes, quite some   ☐ Yes, a lot

8. How was the selection process of the candidates conducted for you assignment?
   Recruitment from: ☐ Within the company ☐ Outside the company ☐ Both ☐ I do not know

                                          Strongly disagree   Strongly agree
9. The selection process examined your: 1   2   3   4   5
                     Adjustment skills   ☐   ☐   ☐   ☐   ☐

                     Social skills   ☐   ☐   ☐   ☐   ☐

                     Technical skills   ☐   ☐   ☐   ☐   ☐

                     Career history   ☐   ☐   ☐   ☐   ☐

                     International experience ☐   ☐   ☐   ☐   ☐

10. Did the selection process include interviewing your partner?   ☐ Yes   ☐ No
                                                                         ☐ Did not have a partner

11. Have you participated in any cross-cultural training?   Yes ☐   No ☐

If you answered yes to question 11, please go straight to question 12.
If you answered no to question 11, please go straight to question 26.

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12. When did your training take place?   ☐ Pre-departure   ☐ On-site   ☐ Both

13. What type of training have you participated in? ☐ Language ☐ Simulation ☐ Look-see visit

☐ Family training ☐ Seminar ☐ Mentoring

(days)   <1   1-2   3-4   5-7   8-14   15-21   22-30   30<   Still ongoing
14. The training went on for   ☐   ☐   ☐   ☐   ☐   ☐   ☐   ☐   ☐

15. It was hard to interact with my co-workers:
☐ Not at all   ☐ Initially   ☐ For quite some time   ☐ Most of the time   ☐ All the time

	Strongly disagree		Strongly agree		
	1	2	3	4	5
16. It was hard to adjust to the new physical environment	☐	☐	☐	☐	☐
17. It was hard to adjust to the new cultural environment	☐	☐	☐	☐	☐
18. It was hard to handle the new responsibilities with the new job	☐	☐	☐	☐	☐
19. It was hard to handle the uncertainty if I had the right skills	☐	☐	☐	☐	☐
20. It was hard to overcome the language barrier	☐	☐	☐	☐	☐
21. My family had a hard time adjusting	☐	☐	☐	☐	☐
22. I think that lack of training can lead to expatriate failures	☐	☐	☐	☐	☐
23. The training helped me to adjust better in the new environment	☐	☐	☐	☐	☐
24. Additional training would have been necessary	☐	☐	☐	☐	☐
25. I would not have preferred to take part in any training	☐	☐	☐	☐	☐

Please continue with question 40.

	Strongly disagree		Strongly agree		
	1	2	3	4	5
26. It was hard to interact with my co-workers	☐	☐	☐	☐	☐
27. It was hard to adjust to the new physical environment	☐	☐	☐	☐	☐
28. It was hard to adjust to the new cultural environment	☐	☐	☐	☐	☐
29. It was hard to handle the new responsibilities with the new job	☐	☐	☐	☐	☐
30. It was hard to handle the uncertainty if I had the right skills	☐	☐	☐	☐	☐
31. It was hard to overcome the language barrier	☐	☐	☐	☐	☐
32. My family had a hard time adjusting	☐	☐	☐	☐	☐
33. I think that lack of training can lead to expatriate failures	☐	☐	☐	☐	☐
34. Training would have given me advantages in the new environment	☐	☐	☐	☐	☐
35. I would have preferred to have made a prior visit to my work-place	☐	☐	☐	☐	☐
36. I felt prepared to work abroad without any training	☐	☐	☐	☐	☐
37. I would not have preferred to take part in any training	☐	☐	☐	☐	☐

38. What type of training would you have preferred? ☐ Language ☐ Simulation ☐ Look-see visit

☐ None ☐ Family training ☐ Seminar ☐ Mentoring

39. How long should the training last?

                 <1   1-2   3-4   5-7   8-14   15-21   22-30   30< *(days)*   Long-term learning

                 ☐   ☐   ☐   ☐   ☐   ☐   ☐   ☐   ☐

Please continue with the following questions.

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40. Which skills do you think a good expatriate should posses? *(Choose three)*

☐ **Good social skills**	☐ **Good career history**
☐ **International experience**	☐ **Good language skills**
☐ **Be flexible**	☐ **Motivated**
☐ **Good at handling uncertainty**	☐ **Show patience**
☐ **Show respect**	☐ **Show cultural empathy**
☐ **Sense of self**	☐ **Sense of humour**
☐ **Good adjustment skills**	☐ **Good technical skills**

41. What do you think are the reasons for expatriate failure?   *(Choose three)*

☐ **Partner's inability to adjust**   ☐ **Expatriate inability to adjust**

☐ **Lack of social skills**   ☐ **Expatriate's personal emotional maturity**

☐ **Can not handle larger responsibilities** ☐ **Insufficient language skills**

☐ **Lack of technical skills**   ☐ **Lack of humour**

☐ **Lack of motivation**   ☐ **Lack of international experience**

☐ **Lack of cultural empathy**   ☐ **Lack of patience**

☐ **Not being flexible**   ☐ **Not showing respect**

☐ **Not able to handle uncertainty**   ☐ **No or little self confidence**

42. The hardest things for you on your assignment abroad are/were to: *(Choose three)*

☐ **Adjust to the new physical environment**

☐ **Adjust to the new cultural environment**

☐ **Handle the new responsibilities attached to the new job**

☐ **Handle the uncertainty if I had the right skills**

☐ **Handle the new culture without proper training**

☐ **Overcome the language barrier**

☐ **Help my family to adjust**

☐ **Interacting with my co-workers appropriately**

☐ **Other:**

43. Other comments:

Thank you for participating!

Appendix B

Below you will find a list of all the companies and organisations that we have contacted in order to gain the empirical material for our thesis. Most of them were found on www.crossculture.com. We have received replies from about half of them. In the end only two companies, ABB and ECCO, provided us with the answers to our questionnaire.

1. ABB
2. Allianz
3. Assa Abloy
4. Astra Zeneca
5. Auchan
6. Audi
7. Boston Consulting Group
8. Benetton
9. BMW
10. BP
11. British Telecom
12. Canon
13. Carrefour
14. Coca-Cola
15. Computer Sciences Corporation
16. Danisco
17. Deloitte
18. Deutsche Bank
19. DSM
20. ECCO
21. Enermet
22. Eriksson
23. Ernst & Young
24. Finnair
25. Ford
26. Fujifilm
27. GE
28. Goldman Sachs
29. Goodyear
30. H & M
31. HP
32. Hugo Boss
33. ING Group
34. Kodak
35. Konica Minolta
36. KPMG
37. Kraft Jacobs Suchard
38. Lacoste
39. Linde
40. L'Oreal
41. Michelin
42. Nationale Nederlanden
43. Nestle
44. Nike
45. Nivea (BDF Groupe)
46. Nokia
47. Nordea
48. PepsiCo
49. Pfizer
50. Philip Morris
51. Philips
52. Pricewaterhouse Coopers
53. Procter and Gamble
54. Richard Lewis Communications
55. Rolls Royce
56. Rover Group
57. Saab
58. Samsung
59. Scania
60. Sctoworl
61. Sida
62. Sony
63. SouthCo
64. Swatch
65. T-Mobile
66. Telia
67. Tieto Enator
68. Toyota
69. Unilever
70. UPM-Kymmene
71. Valmet
72. Volvo
73. Wacker Chemie
74. The world Bank