

Czech University of Life Sciences in Prague
Faculty of Economics and Management
Department of Management



Diploma Thesis

**Exploration of expatriate management practices -
Case study of pharmaceutical company in the Republic of
Kazakhstan**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Department of Management

Faculty of Economics and Management

DIPLOMA THESIS ASSIGNMENT

Gulden Kabduyeva

Economics and Management

Thesis title

Exploration of expatriate management practices – Case study of a pharmaceutical company in the Republic of Kazakhstan

Objectives of thesis

The main aim of the diploma thesis is:

- to analyze the expatriate management in LLP "KP" in accordance with international practices in Human Resource Management: selection, preparation, management support, repatriation processes.
- With regard to the main aim of the diploma thesis, the following goals are:
- to address expatriate management issues in International Human Resource Management practices, such as selection, preparation, management support and repatriation;
 - to propose appropriate recommendations and develop a model for successful expatriate management based on research findings.

Methodology

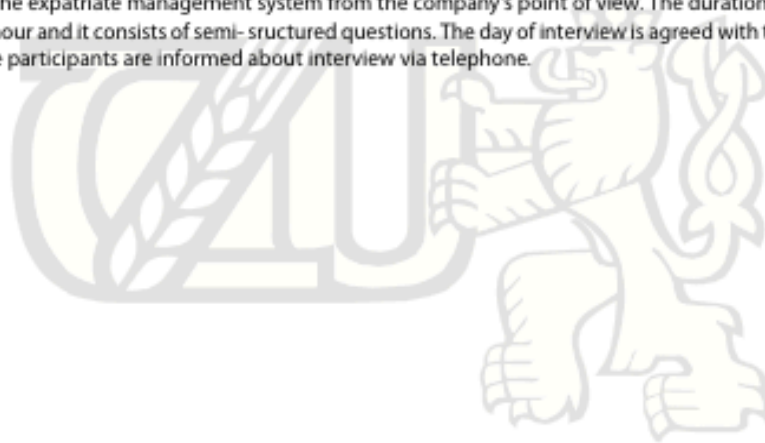
1. Methodology is based on qualitative and quantitative research methods. The primary and secondary data are collected. Primary data consists of the information gathered from questionnaires and focus group interview. The secondary data is obtained through collecting limited information of internal sources of the company. Methodological tools are constructed in order to gather data that represents the experience of expatriates and Human Resource managers in the selected company; company's expatriate management system and how these can be compared to International Human Resource Management-practices: selection, preparation, management support and repatriation. There are two methods used for the diploma thesis:

1. Questionnaire

The research is conducted using electronic form of the questionnaire, which is sent via e-mail to sample group. The questions are the mixture of Likert scale, open-ended and dichotomous questions. The data obtained from the questionnaires is grouped and processed according to common features. The open-ended comments are grouped according to the themes and interpreted according to the theories described in the literature review.

2. Focus Group Interview

The focus group interview is organized in order to obtain detailed information about expatriate management from Human Resource managers of the selected company. It is required to collect information about the expatriate management system from the company's point of view. The duration of interview is one hour and it consists of semi-structured questions. The day of interview is agreed with the company and the participants are informed about interview via telephone.



The proposed extent of the thesis

Approx 70 pages

Keywords

Expatriate Management, International Human Resource Management, pharmaceutical company, selection, preparation, repatriation, management support, the Republic of Kazakhstan, Expatriates

Recommended information sources

1. BREWSTER, C. (1991) The Management of Expatriates. 2nd edition. Kogan Page Ltd. London. 110 pages. ISBN: 0749403063.
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DECLARATION

I hereby declare that I have worked on my Diploma thesis titled “EXPLORATION OF EXPATRIATE MANAGEMENT PRACTICES- CASE STUDY OF PHARMACEUTICAL COMPANY IN THE REPUBLIC OF KAZAHSTAN” solely and completely on my own and that I have marked all quotations in the text. And I have used only the sources mentioned at the end of the thesis.

In Prague on 31st of March 2015

Gulden Kabduyeva

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Průzkum praxe managementu z řad imigrantů - Případová studie farmaceutické společnosti v republice Kazachstán

Exploration of expatriate management practices - Case study of pharmaceutical company in the Republic of Kazakhstan

Summary

With growing globalization and international business opportunities the employment of expatriates becomes a usual thing. The representation of the expatriates depicts a valuable source of advanced skills and knowledge. This is a crucial issue for young countries, such as Kazakhstan. Hence, Kazakhstan demands and tries to employ such skills and knowledge. However, Kazakh employers are faced with pressing issues in international human resource practices. A case study approach is being used for this research paper. Case study- Kazakh pharmaceutical company. This paper aims to explore and analyze how international human resource practices, such as selection, preparation, extended management support and repatriation is being employed in this organization. This study also focuses on the importance of such practices and how they contribute to expatriate management success. Also, domestic and international literatures are reviewed.

The methodology for this paper consists of the electronic questionnaires, focus group interviews and existing document study. As it was hypothesized, all mentioned international human resource practices are employed in LLP “KP” in different degrees. The implications of findings are generally discussed and recommendations are given. This research paper also proposes a straightforward model based on the literature and the findings. Finally, suggestions for the future research are proposed.

Key words: Expatriate Management, International Human Resource Management,

pharmaceutical company, selection, preparation, repatriation, management support, the Republic of Kazakhstan, Expatriates.

Souhrn

Se stoupající globalizací a možnostmi mezinárodního obchodu se stává běžným zaměstnávat imigranty. Imigranti představují hodnotný zdroj kvalitních dovedností a znalostí. To je konkrétně klíčový problém v nově vzniklých státech, jako je Kazachstán. Od svého vzniku potřebuje a snaží se zaměstnat lidi s takovými dovednostmi a znalostmi. Nicméně kazašští zaměstnavatelé čelí vážným problémům v zacházení s mezinárodními lidskými zdroji.

Při použití případové studie o koncepci kazašské farmaceutické společnosti LLP “KP” se tato práce zaměřuje na zkoumání a analyzování toho, jak se zachází s lidskými zdroji, jako je selekce, příprava, podpora rozšířeného managementu a repatriace. Tyto zdroje jsou zaměstnány v této organizaci. Studie se soustředí na význam takové praxe a jak přispívá k úspěchu managementu z řad emigrace. Domácí a zahraniční zdroje literatury jsou uvedeny.

Metodologie spočívá v elektronickém dotazníku, interview cílové skupiny a v existující dokladové studii. Jako se předpokládá, všechny zmíněné mezinárodní lidské zdroje jsou zaměstnanci LLP “KP” na různých pozicích. O důsledcích těchto zjištění se obecně diskutuje a přijímají se doporučení. Tato studie rovněž nabízí jednoduchý model založený na odborné literatuře a poznacích. Studie nabízí náměty pro budoucí výzkum.

Klíčová slova: Klíčová slova: management emigrantů, management mezinárodních lidských zdrojů, farmaceutická společnost, selekce, příprava, repatriace, podpora managementu, Republika Kazachstán, emigranti.

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1 INTRODUCTION

Expatriate management is a part of international human resource management (IHRM). In order to understand IHRM, definition of Human resource Management (HRM), in general, is required. HRM can be defined as “the management of the various activities designed to enhance the effectiveness of an organization’s workforce in achieving the organization’s goals” (ABE, 2009, p.160)¹. IHRM concerns the same issues but only on a global level, where workforce moves between the countries in order to be employed or assigned for different reasons (Vance & Paik, 2014, p. 6). The reasons are discussed in details later in the following chapter, as there are different types of expatriates, which seek different goals while in expatriation. They can be “traditional”, locally hired or self initiated foreign workers (Brewster, 1991, p.12).

The main goal of HRM is “to ensure that all corporate functions are resourced with skilled, qualified and experienced human resources” (ABE, p.199). If there is a lack of skilled human resources in a local market then the question of expatriates issues arises.

The literature review will discuss in details of expatriate and expatriate management. However, expatriate management deals with the managing global workforce (Vance & Paik, 2014, p. 6).

Generally, expatriates are the main sources of skills and knowledge for organizations, mostly, in developing countries. However, it should be taken into consideration, that they can be much more costly for the organizations than local staffs.

Basically, the subject of HRM and IHRM in any organization is divided into different sections (ABE, 2009):

- “Employee resourcing, which concerns the issues of obtaining and retaining staff through the planning, selection and recruitment, pay and other rewards activities, and ensuring general working conditions which motivate and satisfy staff;

¹ Association of Business Executives Manual

- Employee development, which ensures that employees' skills and knowledge remain up-to-date to the changing demand of work;
- Employee relations, which deals with conflict reductions concerning the rights and interests of employers and employees through the adoption of appropriate strategies and procedures” (ABE, 2009, p. 200).

The study of this paper includes also the issues concerning the success of expatriates, which is based on the practices used in IHRM. These practices include selection, preparation, management support and repatriation processes (Carter, 2005, p. 12). These processes incorporated to the attributes, such as job factors and personal background, relational values, motivation and remuneration, cultural intelligence, including language proficiency and family background (Lomax, 2001, p. 3). These general principles are considered in this paper. It should also be highlighted that practices of HRM as well as IHRM are an integral part of management across the whole organization rather than HRM department only (ABE, 2009, p. 201).

2 AIMS AND METHODOLOGY

This section comprises the main objectives of this research paper and introduces the research question, which will be examined in this paper.

2.1. AIMS

The main aim of this diploma thesis is:

- to analyze the expatriate management in LLP “KP” in accordance with international practices in the Human Resource Management.

The following objectives with regard to main aim are:

- to address and analyze expatriate management issues in IHRM practices, such as selection, preparation, management support and repatriation;
- to propose appropriate recommendations and develop a model for successful expatriate management based on the research findings.

2.2. RESEARCH QUESTION

How thoroughly is LLP “KP” implementing the IHRM practices, such as selection, preparation, management support and repatriation processes?

- How successfully is the selection process held in the selected company?
- Why is preparation practice important for the expatriates?
- What kind of management support is provided by the company? How effectively is it provided?
- Why the repatriation program significant for the company?

The findings from the research are compared with the literature reviewed in this paper in order to answer the research questions.

2.3. METHODOLOGY

The methodology is based on qualitative and quantitative research methods. The primary and secondary data are collected. Primary data consists of the information gathered from questionnaires and focus group interview. The data is analyzed using mix of both qualitative and quantitative methods. The secondary data is obtained through collecting limited information of internal sources of the company. Hence, the data and methodological triangulation are present in this research. Methodological tools constructed in order to gather data that represents the experience of expatriates and HR managers in the selected company, the company’s management systems and how these can be compared to IHRM practices: selection, preparation, expatriate management support and repatriation.

1. Questionnaires

The research is conducted using a questionnaire, which is sent via e-mail to sample group. The questions are the mixture of rating scales, open-ended questions and dichotomous questions. The obtained data is analyzed quantitatively and qualitatively. The data obtained from questionnaires is grouped and processed according to common features.

The program Excel and/or SPSS are used in order to analyze the data in greater depth. The open-ended comments are grouped according to the themes and interpreted according to theories described in literature review.

2. Focus Group

The focus group interview is organized in order to obtain detailed information from HR managers of LLP “KP”. It is required to collect information about the expatriate management system from the company’s point of view.

The questionnaire was chosen for the research because of the time limits and the quite large size of sample population. It is done of mixture of different types of questions in order to increase reliability of the responses.

The focus group interview was chosen in order to discuss the main issues with HR managers in the company and understand in-depth the whole processes of expatriate management processes. These two methods of research can help to analyze the expatriate management practices from both sides: HR managers and expatriates working in the pharmaceutical firm.

2.4. IMPORTANCE OF STUDY

The research in the field of international human resource management increased over last few decades (Gutner & Bjorkman, 2006, p. 44). Thus, the idea of attracting foreign specialists is not new. However, this issue is growing around the world. It is appropriate to give the example. In 2001, one Russian metal processing company invited a German marketer to a two-month internship (Grischuk, 2012, p. 40). The company wanted to get acquainted with the applicable procedures of work in Germany, and has set a task for the German specialist to establish new contacts with foreign manufacturers of special equipment. In a short time, the trainee has not only coped with the task, but also, by analyzing the operation of the company, has offered ideas to improve business processes. As a result of his work, the company has signed a contract to supply equipment in amount of several million of euros, which completely changed the scheme of financial planning and analysis. In addition to knowledge and new

techniques, a German specialist brought to the company new external markets. The company's CEO said that his company has reached a new level of development, and these innovations will be required to apply in the future work. The salary for German trainee did not exceed \$ 800 for 2 months.

Thus, the companies that (in the context of growing global interdependence) actively apply in practice international experience receive an additional competitive advantage in the market. The labor market, which is gradually also becoming globalized, provides great opportunities for personnel services. Why do employers need limit the choice of human resources by one country if the whole world in front of them? The example above highlights the importance of expatriates. So the employers should carefully plan and imply the practices of IHRM in the organizations. This research paper would be of use to line managers, who plan and implement international business strategies; for human resource managers, who are responsible for HRM practices in order to manage the foreign employees and for expatriates who wish to apply for international work.

3 LITERATURE REVIEW

This chapter reviews the ideas of different authors about the issues concerning an expatriate management processes. These ideas include the following stages: selection, preparation, continued management support and repatriation. The main aim of this chapter is to summarize and overview these practices of IHRM for managing expatriates according to different relevant sources. At the beginning, these practices should be derived from other activities in IHRM. Gutner and Bjorkman (2006, p.99) propose the model of international human resource management and how it is performed in the company performance (Table 1).

Table 1 IHRM model.



Source: Gutner, K., S., Bjorkman, 2006, p. 99.

The Table 1 above represents different activities of international human resource managers in the organizations. This paper focuses only on practices of IHRM, which are indicated in the second column of this model. These practices are considered and the most important will be examined in this research paper. Furthermore, the following terms should be defined: “expatriate” and “expatriate management”, in order to understand all the aspects and issues, which will be discussed in this research paper.

Brewster (1991) defines an expatriate as: “is a person temporarily or permanently residing and/or working in a country other than that of the person's native country” (Brewster, 1991, p. 14). Harvey (1985) states, “an expatriate is an individual who transferred to a country other than their home country, to complete an international assignment” (Harvey, 1985, p. 84). However, expatriates are not migrants working in another country only for economic or asylum reasons but a product of changing world. They change their lifestyle and gain experiences involving new responsibilities, opportunities, prestige, new roles and challenges (Harvey, 1985, p. 85).

Today, expatriates’ skills and knowledge may differ, but successful expatriate has a common appreciation for any employer. However, if the base of interest in working abroad is low, the expatriate may face difficulties in job performance in a foreign environment. To a large extent, technical competence concerning directly the job can be developed via trainings, but the will to live in the foreign environment with comfort seems to be inherent (Lomax, 2001, p.3).

The development of global specialists is mentioned by many authors in the area of IHRM. Nowadays, it is a very important issue for companies in terms of globalization. The global managers play a huge role in sharing information and knowledge around the world. This results in “ an unifying” of management practices in administrating of human resources on the international level. As the world is globalizing, there is an increasing importance in hiring expatriates to complete critical tasks (Brewster, 1998, pp. 23-24). So, managing expatriates is seen as one of main issues for developing global leaders. The international assignment, generally, considered as more advanced than the previous domestic job position. It contributes, also, to a very good learning opportunity for an individual.

However, the expatriate management is rather complex and has many aspects to be explained. There is a suggestion that the management in human resources in an international environment is recognized as a main determinant of success or failure of any international assignment (Gutner & Bjorkman, 2006, p. 34). There are many obstacles for the individual to accept or reject the international job position in another country. In this context, the long-term rewards, promotion to the top jobs and other

motivational means of taking foreign assignment are important. Despite of this, the expatriate management is the one of the best ways to create a globally established set of attitudes among managers. Even so, there is always need of new skills and abilities from the side of international specialists, and supervision and careful monitoring from the side of human resource managers in any organization.

3.1. Expatriate management

Generally, there are two perspectives of expatriate management. The first perspective includes the adjustment of an expatriate to living and working conditions. It covers the background of individual expatriate, such as experience, and job (e.g., perceptions) and personal (e.g., family) factors (Thomas & Feldman, 1992, p.272). The second perspective concerns the main practices or processes in IHRM used by the organizations. It includes performance appraisal, compensation, training, etc. Particular, it addresses specific issues such as selection process, expatriate pay practices, cross-cultural trainings, etc. (Lomax, 2001, p. 89, Thomas & Inkson, 2009, p. 123). These two perspectives are covered by four main practices of IHRM. These practices contribute to the success of expatriate assignment (O’Sullivan, Appelbaum & Abikhzer, 2002, p. 80):

1. Selection;
2. Preparation;
3. Management support;
4. Repatriation.

The problems in any of these stages may lead to the failure of the expatriate. Thereby, it is crucial to understand details of these processes. The first step involves the question of the recruitment process. The second and third phase primarily concerns the methods, such as training and personal development. Selmer (1995, p. 34) emphasizes the selection and training procedures because they should be more personalized according to cultural differences of global specialists. He also found that even similar

countries such as UK and the USA have differences. So, the selection criteria and training need to be more flexible in response to each individual expatriate (Selmer, 1995, p. 38). During the third phase the expatriates may face difficulties with the job requirements, technical incompetence as well as a cultural adjustment. The fourth stage is also important because the assistance during the repatriation is needed in order to keep an expatriate within an organization in the future. It should be emphasized that repatriation process concerns only “traditional” category of expatriates. The categories of expatriates will be discussed later in this chapter.

Wilson & Dalton (1998, p.6) suggest expectations of effectiveness, which propose recommendations regarding how a company to develop talent pool (Figure 1).

Figure 1 Selection-Development-Support Framework.

Figure 2. Selection-Development-Support (SDS) Framework

	Short Term	Long Term
SELECTION	<ul style="list-style-type: none"> • Personality • Early-life experiences 	<ul style="list-style-type: none"> • Family readiness
DEVELOPMENT	<ul style="list-style-type: none"> • Language training • Cultural training 	<ul style="list-style-type: none"> • On-the-job development
SUPPORT	<ul style="list-style-type: none"> • Outbound transition • Family adjustment 	<ul style="list-style-type: none"> • Equitable compensation • Repatriation

Source: Meena, Wilson, Maxine & Dalton (1998, p.6).

The Figure 1 above highlights the importance of activities during selection, development and support of expatriates in short-term and long-term period. Expectations for effective performance of job by expatriates in host locations include adaptation to local business customs, developing good relationships and accomplishment of goals (Wilson & Dalton, 1998, p.6).

3.2. Types of expatriates

There are different types of expatriates. They can be either employed to perform a particular role by moving within the branches of a multinational company or can be the individuals who seek international work in other countries.

Generally, the expatriates come from the developed countries and are interested in personal and career development (Crowley-Henry, 2007, p.246). Previously, expatriates were relocated by their employers internationally (Selmer, 1995, p.145). However, now expatriates can be associated with other methods of international employments.

Basically, there are three types of expatriates:

- “Traditional”;
- Locally hired;
- Self-initiated expatriates (Selmer, 1995, p.145).

a) “Traditional” expatriates

Such expatriates, usually, are sent to a branch company by an employer for fixed period of time (Selmer, 1995, p.146). They are employed in order to complete projects and other processes, influence the culture, achieve goals and exert the leadership in the subsidiary’s business. The expatriate remains the employee of the company and receives support from the parent organization until the end of the assignment. The support usually covers the accommodation and travel allowances and the funding in form of a salary. The salary is one of the main motivators for expatriates as well as international experience and career development.

b) Locally hired expatriates

These expatriates are individuals who move to another country to seek employment with another company or just desire to work in another country. They are hired according to local contract agreements. Such expatriates do not have any financial support and benefits comparing with the traditional expatriates and do not experience the repatriation phase. However they seek to

work on international level, which gives them career opportunities and experience, which are not offered in their home countries. Many of locally hired expatriates become reluctant to go back home. This may happen when people take responsibility for the own career development but not in the traditional vertical career development (Selmer, 1995, p.147).

c) Self initiated expatriates

This type of expatriates is popular among young people who want to find own work. Usually, they combine work and travelling. Self-initiated foreign work experience expatriates do not get any support as they already temporally settled in a new place. They do not differ from local employees. Brewster (1991, p. 38) found that such expatriates have different individual backgrounds and work tasks comparing with “traditional” expatriates. The career development is the most motivating factor for this category of expatriates.

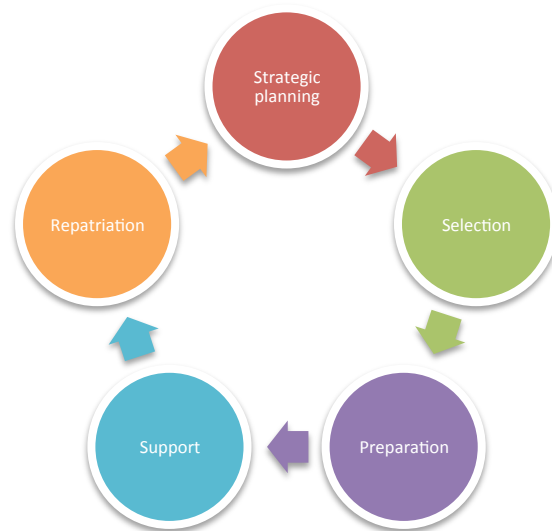
The locally hired and self-initiated expatriates sometimes will refer to expatriates with local contracts further in this research paper. Generally, these differences in types of expatriates show that expatriate management becomes even more complex issue.

3.3. The expatriate cycle

The expatriate cycle is a strategic approach in order to assure the effective expatriate management. Usually, there are several reasons to send or hire expatriates abroad such as supervision of operations, managerial development and transfer of knowledge and skills. However, the core question arises whether the expatriates are beneficial and cost-effective for organizations. O’Sullivan, Appelbaum & Abikhazer (2002, p. 83) states that this requires a careful assessment involving the strategically planning of a company’s management.

They propose the following cycle for managing expatriate issues (Figure 2):

Figure 2 Expatriate cycle



Source: O’Sullivan, Appelbaum & Abikhazer (2002, p. 83). Own compilation.

According to the Figure 2 above, the cycle starts at the strategic planning stage and ends with the repatriation stage. Foreign assignment should be linked with strategic requirements in an organization. This cycle is based on the “traditional” expatriate management. However, most of the stages can be employed for managing other types of expatriates. Further, discussion of four stages of the cycle will be discussed. These stages are linked with expatriate effectiveness through professional, managerial, business and cross-cultural expertise (Wilson & Dalton, 1998, p. 10).

3.4. Cost of expatriates

Expatriates deliver results and carry corporate culture to new environment (Wilson & Dalton, 1998, p.16). Failure of expatriates generates unnecessary costs. Failure occurs when selection, preparation, support and repatriation are poorly managed

(Wilson & Dalton, 1998, p.23).

Generally, the expatriate programs are quite expensive for the companies (Lomax, 2001, p. 43). The foreign specialists, in most cases, are extremely expensive, especially, comparing with local staff employee. In case of expatriate management, the time, assessment and trainings are significant expenses for the company (Lomax, 2001, p. 45). There are also the costs associated with relocation process. Lomax (2001, p. 48) proposes the relocation costs for the expatriate and spouse: relocation allowance, temporary living expenses, broker's commission, one-way travels, moving costs, property management, expenses to bring expatriate and spouse back, cost of sending a replacement, etc. The other costs can arise from the failure of assignment of a traditional expatriate or firing the other types of expatriates. The lack in management planning in the organization process also can cause significant costs for the organization.

3.5. Selection

The expatriate selection process requires the same procedures as it is in the traditional recruitment practices. However, there are additional aspects, which should be taken into consideration. Those aspects include cultural adjustment, language proficiency, etc. Any expatriate manager should remember that a successful specialist in domestic environment might not be successful in a foreign environment (Black, 1971, p.291). The external pressures and differences in foreign country require flexibility, not only in job performance, but also in personal background and characteristics. (Black, 1971, p.289) and Feldman & Thomas (1992, p. 280) emphasize that the improvement of selection processes is critical, especially in screening and training practices. However, Che Rose, Sri Ramalu & Samy (2010, p. 105) advocates that selection practice is quite complex and improvement should be considered step-by-step and carefully.

Sullivan and Tu, 1993, pp. 125-128 focus on three factors, which are important for choosing an individual for the international assignment: technical and decision-making skills, family issues and personal characteristics. Thomas & Lazarova (2013, p.107) emphasize the importance of technical competence. It is the crucial selection factor for many human resource managers. However, it should be mentioned, that employers should pay attention to other factors and not only focus on technical abilities. Lomax (2001, p.123) suggests that not many companies pay attention to the spouse issue. However, he states that spouse and family issues have a strong impact on failed assignments, especially, for “traditional” expatriates.

Black & Mendenhall, 1991, p. 225 suggest another three factors, which can help to the selection process of expatriates: self-efficiency skills, perceptual skills and relational skills. Self-efficiency skills include stress reduction and technical competence, which was already mentioned by other authors. Perceptual skills concern the understanding of other cultures. Relational skills involve willingness to communicate, language skills and building the relationships.

Lomax (2001, p. 30) highlights the importance of purpose of hiring or sending for assignment and the age of expatriates. He examines the survey provided by NFTC (1999)², which did the research among 246 multinational companies about the reasons in need of expatriates and also the age of expatriates. The Table 2 displays the results of the survey.

Table 2 Reasons for the hiring expatriates

Purpose of need in expatriates	Rank 1-5	Age
Transfer corporate culture	1.8	40-50s
Build management experience	2.2	30s-40s for development; 20s for orientation

² Global Relocation Trends, 1999 Survey Report, Windham International, National Foreign Trade Council, and Institute for International Human Resources, May 9, 1999, p. 9.

Transfer technology	2.6	20s-30s
Launch new endeavor	3.0	30s-40s
Fill skill gap	3.2	30s

Source: Lomax 2001, p.31 (Global Relocation Trends, 1999 Survey Report, Windham/NFTC/IIHR, p.9).

The Table 2 above shows that the main purpose for demand of expatriate is to fill skill gap. Furthermore, the expatriate should be age between 30-40 years. Lomax (2001) also stated: “When the company lacks a well-defined global staffing strategy that’s aligned with the business plan, its decisions on using the best talent are likely to be influenced by expediency and urgency” (Lomax, 2001, p.33). He indicates the selection processes, which were considered in order to select candidates for expatriation (Table 3). As it is displayed in the Table 5, technical skills were the most critical criteria before 1997 among interviewed companies. However, they considered that all criteria should be important equally.

Table 3 Selection processes

Process	% using in 1997	% considering to use after 1997
Technical skills assessment	26%	18%
Family readiness evaluation	16%	21%
Psychological profile	11%	15%
Cultural assessment	10%	22%

Source: Lomax, p. 95

Prior selection is the needs assessment, which gives adequate information to the selection stage, primarily, about selection criteria and training of the candidates, i.e. needs assessment identifies the most suited applicants for the selection process.

Lomax (2001, p. 100) provides information about the survey made by Prudential Relocation Services³. A group of international human resource managers identified cultural and technical factors, which are the most important for leading to the success of expatriate. The Table 4 represents the findings:

Table 4 Key factors for success of expatriates

Cultural Factors (58.8%)	% of importance
Cultural adaptability and flexibility	34.7%
Family stability and adaptability	16.2%
Social and interpersonal skills	3.1%
Willingness to take risks	1.8%
Language Skills	1.2%
Communication skills	1.2%
Technical Factors (25.3%)	
Job and technical skills	22.2%
Appropriate compensation package	3.1%

Source: Lomax (2001, p. 109); Prudential Relocation Services.

These factors play important role in selection process. As it is shown in the Table 4, cultural factors have greater influence on selection process than technical factors.

³ Global Human Resource Management: Developing a Pool of Qualified Candidates, Valhalla, NY: Prudential Relocation Services, 1999, p. 1.

3.5.1. Needs Assessment

Needs assessment is the first stage in the recruitment process in IHRM. The appropriate data should be gathered and analyzed in order to get relevant information primarily for further decision-making in accordance to needs assessment. The output is the selection criteria, which measure the qualifications of individuals for an employment. Another outputs include training criteria that cover the preparation of employees for foreign environment entrance. The training is divided into a pre-field training and a mastery-level training (Carter, 2005, p. 303). These training types depend on the experience of a candidate. In terms of expatriate management, the major aim of the needs assessment is to provide appropriate information about training and selection criteria in a foreign ambiance. So, these two stages in the needs assessment contribute to the questions of required qualifications for the international assignment or a job performance. The main characteristics cover psychological (personal traits) and health issues of an individual, sex and age, which enable the candidates to perform the work and adjust to another culture (Carter, 2005, p. 306).

This assessment helps to spot the values, formal and informal rules and norms of a company so the candidate becomes aware about it during the selection process and he or she can accept or reject the job position. After that, there is another important aspect that is needed to assess knowledge and skill criteria. It is called, simply, a job analysis. It is used for job description and task performance purposes. The task performance involves technical and basic skills (e. g., language proficiency). Another assessment, such as environmental (e. g., culture adjustment procedures) is crucial for the training purposes. All those issues are applicable for the “traditional” expatriates as well as other types of expatriates.

3.5.2. The Selection Criteria

The main function of selection criteria is the comparison of characteristics with the needs assessment. For this reason, all the applications should be screened in order to determine the knowledge and skills and willingness to adapt to expatriate life. Riusala & Suutari (2000, p. 82) suggests that the families and spouses should be also screened; especially in “traditional” expatriate management. This process is crucial as it is a major cause of a failure of expatriates.

Screening tools should include psychological testing and interpersonal abilities testing (Crawley-Henry, 2007, p. 248). Furthermore, some motivational assessment is required for the candidates. The applicant’s experience, education backgrounds are determined. The candidates who meet the general requirements should be analyzed for the deficiency. Training programs can help to deal with the deficiency problems. The information obtained about the company and/or international assignment by the candidate should help him or her to understand all the advantages or disadvantages of future job position (Sullivan & Tu, 1993, p.126).

3.6. Preparation

Lomax (2001, p.198) suggests that assessment and preparation should be linked together. Otherwise, this process can increase the costs of expatriate management. Preparation stage is applied mostly to the management of “traditional” expatriates. Therefore, this section considers the preparation stage for this category of the expatriates. However, some aspects are extended to the other categories as well. In terms of “traditional” expatriation, orientation and cultural adjustment programs, and relocation policies have to be clearly organized. According to Riusala & Suutari (2000,

p.85) the family-oriented support has a little concern for the companies. Hence, this is not a priority for the employers.

Lomax (2001, p.237) suggests that such programs can range from few days up to six months. The courses can be offered either by universities or consultants with a regular scheduled courses or customized to the specific needs of a company.

3.6.1. Pre-conditioning preparation

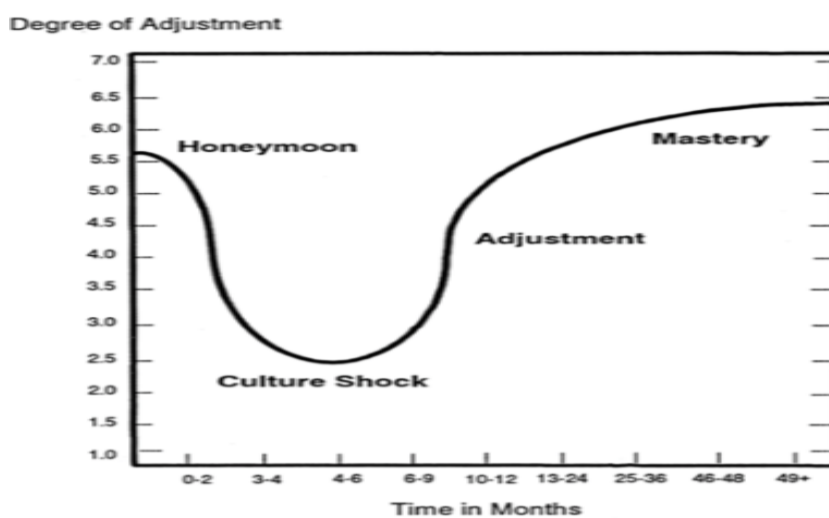
The next step, after selection stage, is preconditioning training, which is crucial for expatriates' success. Expatriates often experience "cultural shock" in a new environment. So, this preparation can help to deal with stress. Thus, the two approaches arise: career planning and "cultural shock" (Black & Mendenhall, 1991, p. 229). To overcome those issues, different career development consultations and workshops are useful for adaptation. It is also very important to include families and spouse trainings for those expatriates who want to take them to the international assignment or job contract. Trainings are beneficial to reduce the adjustment process in the new environment. Riusala & Suutari (2000, p.85) suggest that if there are problems with expatriate's spouse and family adjustment, the expatriate will fail the assignment. Therefore, it is a critical aspect in the preconditioning training. In addition, the spouse and family may have more problems with culture adjustments. The spouse may experience higher level of stress due to loss of close contact with friends and family, loss of job and career possibilities, disruption of education of children. In turn, children usually experience problems with adapting to a new education system, understanding the language, building social relationships, etc. If they experience such problems with adaptation, they can directly influence on the expatriate's duration and performance of work. Consequently, many organizations try to exclude families from the expatriation (Riusala & Suutari, 2000, p.85).

3.6.2. Cross-cultural adjustment

Generally, cross-cultural adjustment training reduces the uncertainties and stress in a job position. Cross-cultural adjustment can be defined as “a process of adaptation to living and working in a foreign environment. It can be perceived as degree of psychological comfort and familiarity a person has with the new host culture” (Black, 1988, p. 283).

Cross-cultural adjustment has four periods: honeymoon, cultural shock, adjustment and mastery (Black & Mendenhall, 1991, p. 232). These four periods presume a **U-curve**. The curve starts with honeymoon stage and ends when an individual reaches the mastery level. Honeymoon is the first stage where expatriates are excited by the new culture. After, “cultural shock” starts as during this period expatriates start to feel frustration as they begin to face the reality on day-to-day basis. Adjustment is the third stage where expatriates gain an adaptation to the new environment. On the mastery level he or she can finally adapt to the new environment and can effectively function within new environment. The Figure 3 below represents all these stage.

Figure 3 The U-curve of cross-cultural adjustment



Source: Black & Mendenhall, 1991, p. 232.

Wilson & Dalton (1998) state that cultural shock is unavoidable, however it can be decreased. “Cultural shock is the stress, which a person feels and can loose control” (Wilson & Dalton, 1998, p.18).

These stages should be followed with an appropriate training program and support. Expatriates are provided with language learning programs and intercultural communication competence trainings by mastery level training criterion.

The expatriate failure arises because of the lack of preconditioning preparation, i.e. cross-cultural training and spouse and family adjustment. Training and preparations can help to overcome “cultural shock” and clarify uncertainties. Lomax (2001, p. 230) proposes six areas in order to build the successful training program (Table 5).

Table 5 Successful training programs

Environmental briefing, i.e. geography, schools, climate, etc.
Cultural orientation, i.e. values, stereotypes, etc.
Cultural assimilator, i.e. cultural interactions.
Language trainings
Sensitivity training (attitudinal flexibility).
Field experience

Source: Lomax (2001, p. 230). Own Compilation.

Cross-cultural adjustment pre-trainings provide great assistance and increase the success of an assignment (Thomas & Inkson, 2009, p. 167). This can be an advantage for “traditional” expatriates in comparison with other types of expatriates. However, they can get such kind of assistance after placement. Generally, an appropriate cultural training program contributes to the better adjustment of expatriates. The lack of cross-cultural training may result in expatriate failure during the assignment. So, this aspect of training should be included in the overall training program. Moreover, cross-cultural

training is a crucial tool for achieving success in the foreign environment (Thomas & Inkson, 2009, p. 168).

Lomax (2001, p. 185) reports the utilization of preparation procedures, which were used among 1700 U.S.-based companies. The survey primarily was conducted by Aon Associates⁴ (Table 6).

Table 6 Preparation programs used by the companies

Preparation programs	% of companies using in 1997	% of companies considering to use
Pre-assignment visit	50%	13%
Language training	37%	20%
Health, drug screening	34%	8%
Realistic job previews	33%	17%
Technical skills assessment	26%	18%
Family readiness evaluation	16%	21%
Psychological profile	11%	15%
Cultural proficiency assessment	10%	22%

Source: Lomax p. 185

The Table 6 shows that most of programs was reconsidered by the companies.

3.7. Management support

Management support during assignment or job performance is the natural continuation of preparation and training as expatriates experience the loss of the majority of the social support in the new environment. Basically, any kind of support reduces uncertainties. Lomax (2001, p.9) took as an example Chrysler Company for identifying support packages. The company offered the following: compensation, housing, vacation, and family assistance and employee cars. He also suggests some assistance programs, which include training assistance, career planning assistance, etc. (Lomax, 2001, p.10).

⁴ Aon Associates, as reported in Global Work Force, July 1998, p. 9.

Many companies have different mentor programs. The specialized mentors provide the necessary information to the expatriates and his or her spouse and family. The mentor program is important in order to assist the adaptation process. The mentoring can be provided in different forms, such as online mentoring, face-to-face mentoring, etc. The responsibility of the mentors is to ensure that expatriates do not feel isolated and frustrated. So, by doing this, they increase the chance of successful assignment of expatriates. In case of the traditional expatriation, this process is quite complex as it requires the coordination between headquarter and subsidy.

The support begins when the expatriate enter the new environment and new job performance. Management support contributes to the success of the expatriates, i.e. helps to overcome difficulties in the new place. In order to administer, effectively, the idea of support, the managers should consider three levels of expatriate adjustment (Black & Mendenhall, 1991, p. 239). Those three levels presented in the Table 7:

Table 7 Three levels of adjustment

Level of adjustment	Definition
General adjustment	Degree of comfort with climate, food housing and living conditions, and cost of living.
Interaction adjustment	Comfort with interaction and communication with other cultures.
Adjustment to work	Adaptation and understanding of a new job position's responsibilities, standards and expectations.

Source: Black & Mendenhall, 1991, p. 239. Own Compilation.

Only after getting through all these levels, expatriates' comfort degree can be satisfied. Support increases the success of expatriates as it contributes to building relationships and adapting to local modes. Organizational support also reduces the conflict of personal and professional work life between employees. Duration of management support has to last from pre-departure stage to repatriation stage or the end

of expatriates' job performance (Black & Mendenhall, 1991, p. 240). Black & Mendenhall (1991, p. 241) propose the most crucial practices for effective support for expatriates:

- Regular contact (organizational policy changes, information exchange, job instruction and assistance, discussions);
- Language instructions;
- Mentor assignment;
- Long distance calling;
- Inclusion of expatriates to social activities in the organization (Black & Mendenhall, 1991, p. 241)

Lomax (2001, p. 240) introduces other practices of effective support:

- Linking up an orientation family (local staff and/or family as transitional helpers after arrival);
- Security (to avoid the dangerous situations in a new community);
- Housing (appropriate accommodation);
- Schooling (appropriate education for the children of an expatriate);
- Spouse's job (assisting in finding a job);
- Automobiles (provide, loan or lease the car to the expatriate);
- Social/health clubs (reimburse exercise facility);
- Vacations (duration of vacation);
- Establishment of mentor relationship (as an advisor);
- Performance appraisal (evaluation).

Lomax (2001, p.87) provided the findings made by 1999 NFTC survey, where, as it was mentioned, 264 companies stated the most critical corporate concerns in the expatriate process (Table 8).

Table 8 The main concerns of companies

Corporate concern	% of companies
Finding candidates	66%
Family concerns	34%
Location adjustment	29%
Spouse Satisfaction	29%
Relocation resistance	21%

Source: Lomax, 2001, p. 87.

The Table 8 above shows that most important aspects for the companies, which concern the activities with finding candidates for international assignment or job position, and other factors concern mostly adjustment process and family issues.

3.7.1. Performance Appraisal

The employers and employees should be aware of psychological issue of effectively conducting fair. In this case, the managers in the company should go through training, as it requires professional staff people in order to perform performance appraisals. Generally, it concerns rating of employees. However, it is like investment for a company. Lomax (2001, p. 91) examines the major players, who are responsible for performance ratings:

Performance review in host country;

Performance review in home country;

Regular expatriate visits to home office;

Regular manager visit to host office;

Annual expatriate surveys.

“There was another study, which adds the element of self-evaluation. The results show that on average an expatriate is evaluated by three individuals” (Lomax, 2001, p. 247).

Table 9 Rater methods used inside and outside the host country

% of companies using raters inside the host country	% of companies using raters from outside the host country
Supervisor 75% Self (39%) HR professionals (12%) Peers (10%) Subordinates (7%) Customers (1%)	Supervisor (41%) Regional executive (23%) Corporate HR (17%) Sponsor (7%)

Source: p.247 Lomax, 2001

The findings above (Table 9) show that the most of the companies using raters inside the host country utilize evaluations by supervisors and self-assessment inside the host country. However, the companies using raters outside the host country prefer supervisor evaluation and assessment by regional executive.

Moreover, 53% companies from the same study admitted that their appraisal programs running overseas were average or even below average. The same companies indicated that their programs work much more effectively in home country. This happens because the overseas appraisal programs have broader scope. There is also huge lack of training given to the raters in both host and home country. So, should performance appraisals be used as criteria for assignments success? The ratings do not accurately measure the skills required for success (Lomax, 2001, p. 249). So, there is no standard for rating programs, as each foreign job performance is unique and it is required an individual approach.

3.7.2. The spouse and family impact

Some aspects of this issue have been already discussed in previous chapters. Black (1988, p. 284) indicates that the family reasons are the one of the top problems, which can lead to the breaching of the assignment contract. Of course, this, in turn, results in high costs to an organization. Black (1988. p. 284) also suggests that it is still

the key barrier also for accepting the assignment, particularly, in the “traditional” expatriation.

The employees have to take into account the needs of the family in order to get the work-life balance for expatriates. It is obvious that if expatriate ignores his or her family because of the work, he or she will likely lose them. Lomax (2001, p. 39) indicated some interesting figures, which were found by the 1999 NFTC survey results. The figures show the trend of percentage fluctuations of expatriate population being married. In the years 1993 and 1994, married expats’ share was 78%. However, in 1999 their share decreased to 69%. In the year 2008, the number of married expats, again, increased 93%. It can be explained by the shorter duration of stay in the host countries.

Riusala & Suutari (2000, p. 85) and Harvey (1985, p. 88) indicate that the unwillingness of expatriate’s spouses to give up their job is the reason for not accepting the international job position by expatriates in another country. Hence, there is an issue; such as a dual career aspect arises. Currently, there is a growing number of dual career couples among expatriates. Consequently, the companies should bear in mind that dual career approach increases the success and effectiveness of expatriates’ performance. Due to these issues, the special programs are required. (Black & Mendenhall, 1991, p. 240) provide solutions, which can help with guideline for spouse and family. The solutions include the assistance of finding the job for the spouse. The organization may provide a job within the company or cover the costs of finding a job in a host country. In case if the employment is not an option, the organization can cover the educational costs of spouse. However, if the spouse stays in the home country, the company should cover the travelling and communication expenses of an expatriate or his/her family.

The issues of children should be also taken into consideration as they can influence the job performance of expatriate. Table 10 below represents the percentage of expatriates with and without accompanying children among interviewed companies provided by the NFTC.

Table 10 Share of expatriates with and without accompanying children

Year	% bringing children	% leaving children
1994	62%	38%
1998	55%	45%
1999	61%	39%

Source: Lomax, 2001, p. 15.

The Table 10 above shows that the share of expatriates with accompanying children is larger comparing with those who did not bring them to the host country.

3.8. Repatriation

This chapter is more focused on the “traditional” category of expatriates. Therefore, self-initiated and locally hired expatriates will not be mentioned, as they do not go through this stage of IHRM. Simply, they do not have the home company to return to. This section gives the insight to repatriation policies in the organizations, explains how the repatriation may influence the future career development of expatriates and also explain some programs concerning repatriation.

Black (1988, p. 280) found out that more than 60% of expatriates who return to home experience “reverse cultural shock”. Black & Mendenhall (1991, p. 234) state the following definition of “reverse cultural shock”: “ it is a stage of cultural re-adaptation”

Lomax (2001, p. 258) highlights the importance of increasing trends of short-term assignments. There is question about why the assignments get shorter. He suggests that it could be due to issues concerning minimizing of costs, increasing number of international short-term projects in different countries. However, Global Relocation Trends Survey reports that the expatriate population (66% of respondents) is growing

and will grow due to growing number of new companies (Lomax p. 258).

3.8.1. Return of expatriates

One of the hidden costs linked with expatriation is the inability to retain the expatriates upon return to the home country. Some research findings show that 25% of employees who were on international assignment want to leave their organizations after repatriation (Thomas & Lazarova, 2013, p. 332). The cost of losing one expatriate was around \$1.1 million (Black, 1988, p. 284). In such situation, the crises management deals with the expatriation process. Special repatriation programs assist in the overall process of career development and international human resource management (Black, 1988, p. 385).

Lomax (2001, p. 276) provides information about the following repatriation planning procedures among different companies. The research was done by NFTC among the same companies (Table 10).

Table 11 Planning of repatriation

When repatriation is addressed	% of companies reporting
Before departure	17%
Six month or more prior return	27%
Under six month prior return	46%
Not discussed	10%

Source: Lomax, 2001, p. 276

The findings show that the greater number of companies plan repatriation program under six months prior return.

3.8.2. Repatriation programs and further career development

Repatriate programs increase the repatriation success and develop commitment to the parent company and to the new local work place (Black, 1988, p.

287). Repatriation programs consist of different activities, including promotion and position of a job before repatriation and assisting in overcoming “reverse cultural shock” in the home country. Expatriates may face with unexpected situations after repatriation. Therefore, it does not always mean that international assignment is good practice. Many companies even do not link the career development and foreign transfers (Selmer, 1995, p. 204). Expatriates expect that after repatriation they will be rewarded in the form of higher job position. However, the new job positions in the home country may have fewer opportunities for the career development comparing with international assignments. In result, expatriate can feel frustration and disappointment about the company. These reasons often may lead to dismissal of the employee (Harvey, 1985, p. 90). Another reason can be the expatriate’s feeling that the company has changed during his or her absence or they themselves have changed during the international assignment (Black, 1988, p. 290). Black & Medenhall (1991, p. 240) reported that only 30% of repatriates had a positive career development after foreign assignment. A total of 25% of expatriates leave their organizations within one year after returning to home.

Repatriation management deals with the problems, which were mentioned above. It is quite difficult task to encourage expatriates to stay with the company. Repatriates should be assisted in relocation and coping with re-entry. Training may be needed to get a new job position. Management of the company should also consider the repatriated families assistance corresponding to home company. Hence, repatriation provides more stress for the family (Black, 1988, p. 290).

3.9. Conclusion

The first part if this paper has presented a literature review related to basic IHRM practices concerning expatriate management. It has covered the four main stages, such as selection, preparation, and management support during assignment and repatriation processes of expatriates.

According to the issues examined above, the organizations should understand the importance of career support programs. They also should not waste the valuable skills and experience of expatriate employees. Furthermore, there are different

categories of expatriates, which make those practices more complex for the international human resource managers.

It was mentioned that technical qualifications are critical for the expatriates in order to be selected for the international assignment. However, individual skills and cultural adjustment play also great role. The expatriate success is associated with great variability in different aspects of selection, preparation, and management support and repatriation practices. These stages are the most important tools in the IHRM. The ideas presented in literature review are the base for the practical part of this paper.

4 SITUATIONAL ANALYSIS

The Republic of Kazakhstan is a young country, which appeared after the breakup of the Soviet Union in 1991. Fast development of Kazakhstan's economy in the post-Soviet period contributed to attracting a large number of foreign experts and managers. Virtually, all foreign companies as well as large national enterprises have a significant number of foreign experts. Nowadays, even local private companies are able to employ foreigners (Grischuk, 2014 p. 40).

The labor market in the pharmaceutical sector in Kazakhstan is quite narrow and experiences shortage of skilled professionals, particularly with medical education. Sometimes the right people may simply not be in the market; sometimes they are not used to work at a pace, as it usually happens abroad; in addition, good staff outbid here with a surprisingly high frequency, and the loyalty of the majority of employees to the employer has much to be desired. Personnel issue is the main challenge for the most companies in Kazakhstan. Salaries in the pharmaceutical sector over the last year increased on average by 8-17% (EGOV, 2014).⁵

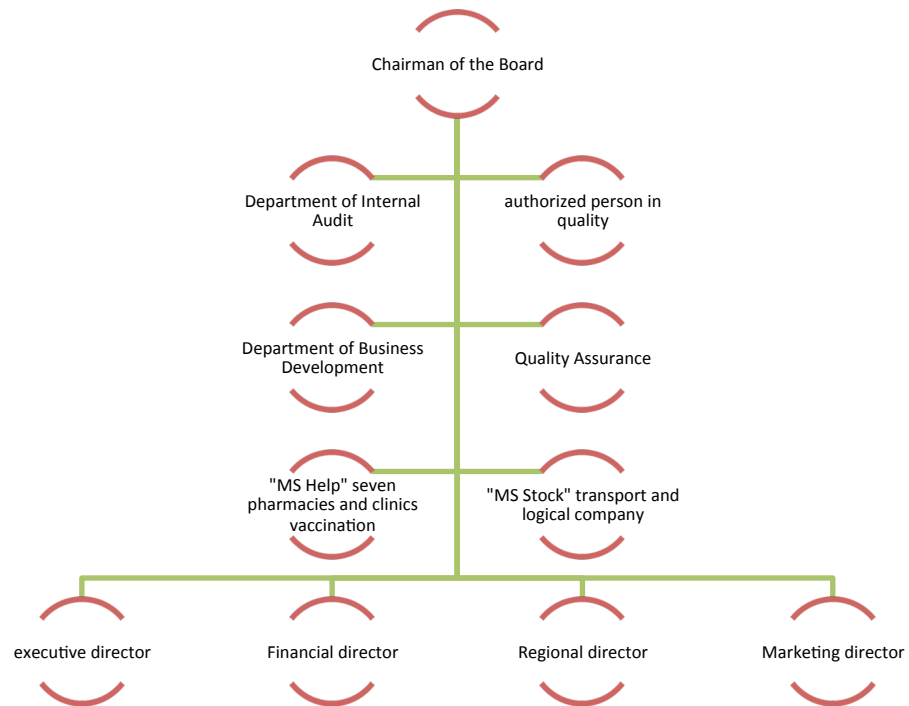
The latest technology, availability of western education and best practices of previous expatriate professionals had a positive impact on the level of the Kazakh enterprises in recent years, and the competition is getting high, including the recruitment market.

4.1. Organizational profile

The company's type of a corporate business is Limited Liability Partnership (LLP). The concept of LLP described in the law of the Republic of Kazakhstan. This is quite popular form of business in Kazakhstan (EGOV, 2014). The selected company is Limited Liability Partnership, which is successfully operating in pharmaceutical services sector in Kazakhstan. The general organizational structure of the LLP "KP" presented below (Figure 4).

⁵ Electronic Government. Public services and Information:
http://egov.kz/wps/portal/Content?contentPath=/egovcontent/employment/employment_job_search/article/inostrannyi_trud&lang=ru. [10.10.2014]

Figure 4 Organizational structure of LLP "KP"



Source: based on materials provided by the company. Own illustration.

The Figure 4 does not present the whole levels of hierarchy of the selected company. There is further explanation of the organizational structure of LLP “KP”. There is further explanation of the organizational structure. The responsibilities of four directors are elucidated below.

Executive director is Deputy Chairman of the Board. He is authorized to supervise the following departments:

Executive director	Department of Information Technology
	Pharmacy warehouses
	Personnel (HR) Department
	Legal and security services
	Department of Certification
	Department of Registration and Licensing
	Administrative and Economic Department
	Department of Transportation

The Financial Director is a member of the board and responsible for:

Financial Director	Department of Financial Analysis
	Accounting Department

The Regional Director is also a member of the Board and has a deal with the branches in the other cities of Kazakhstan. His responsibility covers two departments in the company:

Regional Director	Department Of Regional Management
	Branches

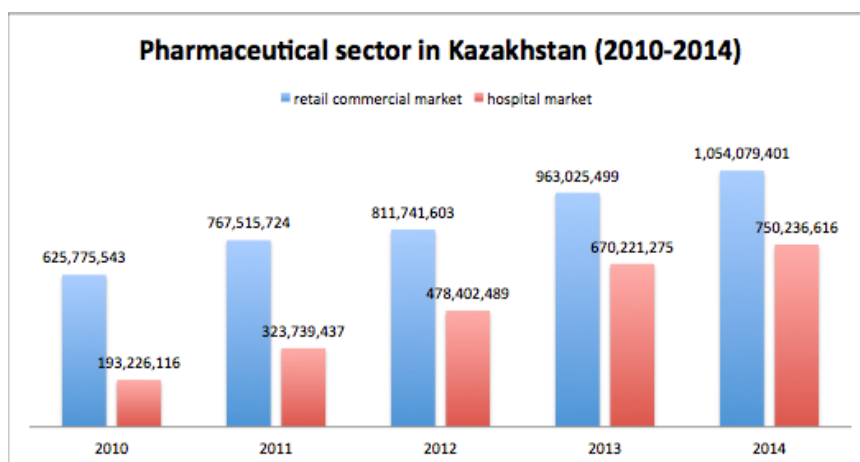
The marketing director is a member of the Board and supervises the following departments:

Marketing Director	Marketing Department
	Department of Foreign Economic Activity
	Department of Promotion of Exclusive Products
	Department of Public Procurement
	Department of Medical Equipment and Supplies

There are some information provided by company about pharmaceutical sector in Kazakhstan (Figure 5).

The Figure 5 shows that pharmaceutical industry is growing each year. It indicates the retail commercial market in pharmaceutical sector and hospital market in the years 2010-2014.

Figure 5 The pharmaceutical sector dynamics in Kazakhstan in 2010-2014



Source: internal sources of LLP “KP”. Own compilation.

The company performs quite well in Kazakh pharmaceutical market. It also provides commercial sales and tenders. The logistic services are 1.20% while government procurement 36.68%. Commercial sales indicate 48.06%. These figures are correspond to year 2014.

The share of commercial sales and tender of LLP “KP” in 2014 (Table 10):

Table 12 Commercial sales and tenders of LLP "KP"

Logistics services	1.20%
Regional government procurement	14.06%
State procurements	36.68%
Commercial sales	48.06%

Source: derived from internal sources of LLP “KP”. Own compilation.

The Figures above give some general information about the company and are only supplementary.

4.2. Legal procedures for hiring expatriates in Kazakhstan

In accordance with the provisions of the Constitution, the Decree of the President of the Republic of Kazakhstan having the force of the law "On the Legal

Status of Foreign Citizens in the Republic of Kazakhstan" from 19.06.1995 regulates the legal status of citizens of other states in the country (EGOV, 2014).

There is an established national treatment for foreign citizens, giving the same legal status as it is for the citizens of Kazakhstan (EGOV, 2015).

Work Permits

The procedure is complicated in order to obtain foreign work permits in the Republic of Kazakhstan. There are special quotas for foreign nationals employment determined by law. The number of foreign workers should not exceed 30% of the total number of employees (EGOV, 2015). The Work permits are issued only to the employer. The age of foreign specialists should vary between 23 and 63 for men and 58 for women (EGOV, 2015). All foreign workers/specialists, who employed in Kazakhstan, are rated by awarding eligibility points based on different selection criteria (EGOV, 2014):

Table 13 Eligibility criteria of foreign specialists

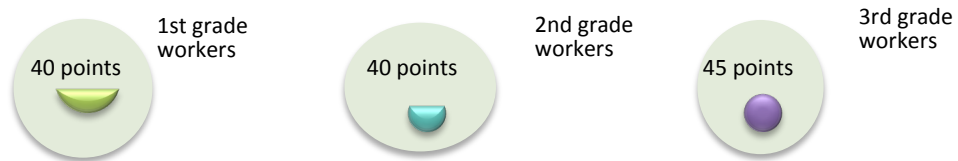
1. EDUCATION	<p>Post and advanced graduate degree in a required job position-25 points</p> <p>Undergraduate degree- 20 points</p> <p>Vocational qualification- 15 points</p>
WORK EXPERIENCE	<p>1-3 years – 15 points</p> <p>4-6 years – 20 points</p> <p>7-10 years – 25 points</p> <p>over 10 years – 30 points</p>
OCCUPATIONS DEMANDED IN THE DOMESTIC MARKET	25 points

Source: (EGOV, 2014). Own compilation.

The work experience should be in a field of occupation and has to match activity of the employer's organization. Specializations are defined from the special list

of occupations, which are in the highest demand in the domestic market. The list is updated every year by the central executive body on the basis of the recommendations of local executive entities (EGOV, 2014). The Figure 6 below shows minimum limit of points, which are required for foreign candidates in order to be eligible for employment in the Republic of Kazakhstan:

Figure 6 Grading system of foreign specialists



Source: EGOV, 2014. Own compilation.

First and second grade workers have to obtain 40 points in order to get work permit, the third grade workers has to obtain 45 points. Maximum points indicate that the foreign specialist has all the qualifications.

5 RESEARCH METHODOLOGY

This chapter aims to explain the research methods used in order to find out how best practices described in literature review section, are used and complied in the selected company. According to reviewed literature, the key practices include selection, preparation, management support and repatriation. This chapter examines whether the IHRM practices on expatriate management are utilized or not and if yes, how effectively they are utilized. In other words, it tries to examine what the expatriates experience in the selected company, expatriate management system of this firm, how it influences expatriate success and compare the results with the theory of key practices mentioned above.

5.1. Research design

The design of research methodology seeks to show the structure of the investigation, i. e. to depict the design of study. This research collected two types of data and included primary and secondary data. ABE (2009, p. 183) defines qualitative data collection as “qualitative variables, which have non-numeric observations and values. Quantitative data is a quantitative variable where observations are numerical in nature” (ABE, 2009, p. 183). The raw data was analyzed using quantitative and qualitative methods. These qualitative and quantitative research methods are involved in primary data analysis. Hence, the methodology includes both the primary and secondary data. ABE (2009, p. 184) states, “ that primary data is data which both original and has been obtained in order to solve the specific problem in hand. Secondary data is any data other than primary data” (ABE, 2009, p. 184). Primary data was collected through the focus group interview of human resource managers of the selected company and electronic questionnaires completed by expatriates working in the company. Two sources of primary data were chosen in order to understand the employed practices from the viewpoint of both the company and expatriates. This makes research more effective and increases the validity of the research in this paper. Secondary data was collected in

the form of external (i.e., the Internet) and internal sources (i.e., documentation obtained from the organization). Secondary data supports research awareness. The table 14 below summarizes the methods used in this research paper.

Table 14 Summary of data collection methods used in analysis

Primary Data	Secondary Data
<ul style="list-style-type: none"> • Qualitative method (exploring phenomena; unstructured): - Open-ended questions in questionnaire; - Focus group interview. 	<ul style="list-style-type: none"> • General Information on the enterprise.
	<ul style="list-style-type: none"> • Data on Management/ Company Structure. • Selected documents concerning.
<ul style="list-style-type: none"> • Quantitative method (empirical investigation; structured): - Dichotomous questions; - Five point Likert scale questions; - Rank questions. 	<ul style="list-style-type: none"> • Expatriate Management Policy.

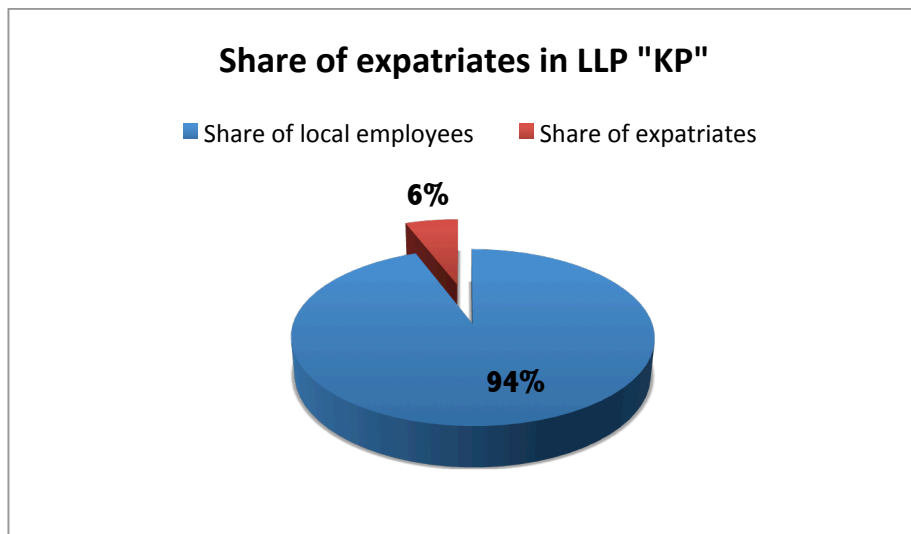
Source: ABE (2009) .Own compilation.

These methods create a triangulation as they provide different sources of data collection. Furthermore, it increases validity of the data.

5.2. Population and Sample

The first type participants of the research were the expatriates, who work in LLP “KP” pharmaceutical company. The electronic questionnaires were sent for this sample group. The second type of sample population, were human resource managers, who are responsible for the administering expatriates in the same company. They were involved in focus group interview. The Figure 7 represents the share of expatriates in the selected company.

Figure 7 Total share of expatriates in LLP "KP"



Source: based on internal information provided by the company. Own compilation.

The organization provided an estimated number of expatriates working in the company. There are 1024 employees in total work in the company. This number includes expatriates. The number of expatriates is 63 in total. This number includes traditional expatriates, self-initiated expatriates and locally hired expatriates. The electronic questionnaire was sent to all 63 expatriates in the company. The figures above indicate that selected company employs only 6% of expatriates, while the share of local employees is 94%.

5.3. Interview design

Krueger (2002, p.3) defines focus group interview as an interview, which is carefully recruited among 6-8 similar types of people in comfortable environment. However, it is possible to organize mini focus group interviews with 3 or 4 participants.

The focus group interview was chosen because the number of interviewees included only three people. The interview was done by the manager, who also works in LLP "KP". The findings of interview were sent to the researcher. The researcher could not participate in the interview as he/she was in different geographical location. Previously, the focus group should included six people (Krueger, 2002, p.3) but there

were no available interviewees in the set time due to personal issues. So, interview was changed to mini focus interview group. The participants consisted of human resource managers and did not include any expatriate managers. This is was done in order to understand the company's perceptions about key practices, such as selection, preparation, management support and repatriation.

The interview structure was designed according to Krueger (2002, p.5):

1. Opening questions;
2. Introductory questions;
3. Transition questions;
4. Key questions;
5. Ending questions (Krueger, 2002, p.5).

The questions are designed in semi-structured and open-ended form. The interview questions were known in advance but some additional questions were asked, which were not included in original list of questions. Research questions were based on literature review. The interview began with some demographic questions followed by the questions covering the issues of selection, preparation, management support and repatriation in the company. In the end of interview, the participants were offered to provide further information or comments. The interview was conducted in Russian language.

5.4. Questionnaire design

Another part of research was conducted using electronic questionnaires. A questionnaire was chosen for this research paper as it has several advantages. ABE identifies the main following advantages of using electronic questionnaires:

- time saving;
- covers bigger size of sample population (ABE, 2009, p. 187).

Because of the time limitations and long distance between the researcher and sample group, this method was the best to analyze large amount of people. The questionnaire is based on the literature review and includes questions concerning the key practices of the IHRM. It is designed in form of the open-ended questions, Likert-scale questions, rank questions and dichotomous questions. This helps to give full

dimensions of research question. It consists of two sections. The first section covers questions about an individual's background, i.e. biographical information. The second section includes questions about expatriates' perception about IHRM practices. The "traditional" expatriates are asked about repatriation process as well and did not include other categories of expatriates.

The questionnaire was sent via e-mails to sample group with the instructions. The questionnaire was conducted in English language.

5.5. Data collection and analysis

As it was mentioned before, the collection of data was made through different sources in a time efficient manner. The questionnaire was done in electronic form as all expatriates in the company have access to a computer with the Internet. The time given for the responding was 3 months (from 1st of September to 30th of November, 2014). The time is important, as respondents are located in another country and in different time zone. The electronic questionnaire allows using different types of questions and eases the data analyses of large sample group. The data obtained from the questionnaires was entered into appropriate computer software. It was put into according to common topics and analyzed. The open-ended questions were grouped according to themes. The answers were listed by the frequency of the comments made. Ordinary quantitative procedures were conducted to analyze the obtained data. The number of respondents was enough to make appropriate conclusions. Focus group interview is conducted in one day (8th of January, 2015). Face-to-face focus group interview was agreed with the company. The research was made by note taking. Participants were contacted via e-mail in order to take a part in the interview in settled time. The human resource managers who were available to contribute to the research were followed up with an instruction letter via e-mail. The interviewees were asked to choose the environment comfortable for them. The company provided the interviewer and interviewees by the special office. The appropriate answers were immediately written down. The results of the interview

were examined by using general inductive research technique. The notes taking were more complex to analyze, comparing with questionnaires. After the interview, the notes were labeled and filed and compared and the results are extracted from the notes. The findings were transformed into a framework for report preparation. It was required in order to for divide questions into categories.

5.6. Limitations

There are limitations of sample group. The research is limited to one chosen company in the Republic of Kazakhstan in order to get validate results. The research does not include internship students and local employees within that company. Another limitation was a researcher bias, as only one researcher designed the interviews and questionnaires, so there is a possibility of loss of objective view due to a multiple sources of information and data triangulation exist. Other limitation concerned the time constraints and inability of researcher to be present during focus group interview. The findings were generalized and do no propose individual approach to each participant in the research.

However, this research is still able to examine relevant issues in the area of expatriate management. This research is able to give recommendations for the selected company. This research can be extended to future research development. The following chapter reports the results of the research.

6 DATA RESULTS

There are results of the analysis of focus group interview and electronic questionnaire in this section. The quotes were used in order to support the results of the research. The quotes were extracted from the interview of HR managers as well as from the open questions derived from the electronic questionnaires of expatriates. Then, the findings from both sources were analyzed and compared.

The participants of interview were numbered from 1 to 29 according to list presented in Appendix A. The research analyzed expatriate management system in LLP “KP” in the Republic of Kazakhstan, in accordance with selection, preparation, management support and repatriation.

6.1. Interview

As it was mentioned in the previous chapter, the interview was done among managers in human resource management department of the selected company LLP “KP”. There were three HR managers who were able to participate in focus group interview. All interviewees were full-time employees of the company. They were locally hired residents of the Republic of Kazakhstan. Two of them were females and one male HR manager. The information about personal characteristics of interviewees can be also found in the Appendix C. The participants were coded as “Manager 1”, “Manager 2” and “Manager 3”.

This part of research tries to explore the effectiveness of IHRM practices in LLP “KP” comparing with literature review. Before the interview, the participants were asked to rank five corporate concerns in the expatriate concerns within the company. They suggested that location adjustment and finding candidates should be primary concern of any company.

1. Location adjustment
2. Finding candidates
3. Relocation resistance
4. Spouse satisfaction

5. Family concerns

This ranking in LLP “KP” is quite different from the global critical corporate concerns. The main finding from the list above is that the company not really pays attention to the family and spouse concerns. However, it was suggested in the literature overview that these issues are critical. However, the participants explained that majority of expatriates come to the company for short period of time and they do not need to be accompanied by the spouse and family.

6.1.1. Selection

The assessment of human resources is accompanied during the entire stay of an employee in the organization. The first application of such assessment starts with selection and screening process. Consideration of external candidates during selection process is conducted after an assessment of internal staff. However, the selection process for expatriates in the company has differences in procedures comparing with local selection process. The company has several partner companies and suppliers in different countries. Hence, majority of foreign workers are “traditional” expatriates in the company. They are primarily sent for the assignment to LLP “KP” for supervision, sharing information and transferring skills and knowledge. In case of “traditional expatriates”, the selection process is provided in their home countries of candidates with cooperation of LLP “KP”. In some cases, a representative from LLP “KP” takes part in selecting candidates in home companies of those applicants. In other cases, the partner companies just select the most suitable candidates with the following approval of LLP “KP”.

There are, generally, four steps for hiring “traditional” expatriate:

Step 1. The company’s senior management and HR managers set business aims and strategies for identifying the demand for foreign expatriates. HR managers start to assess internal candidates for the new job positions. The line managers, then, may choose a list of possible candidates. In case if there is a lack in professionals for the open position or there is a need of coordination from the partner companies to manage

their products in LLP KP, line management contacts these partner companies. Note: the locally hired and self-initiated expatriates are hired on the regular basis as locals. They can be hired through recruiting companies, partner organizations and advertisements within the country.

Step 2. The partner companies start outreach campaign to attract those employees who are interested in international assignment in LLP “KP”. They do selection and screening and in some cases the representative (from senior management) from LLP “KP” is invited for this process.

Step 3. There is a double evaluation of candidates in case of traditional expatriates by partner company and LLP “KP”. Selection for the other categories of expatriates is done by LLP “KP”.

The rating of two more significant reasons for success and failure in LLP “KP” are presented below:

1. Technical Factors (55.5%): job and technical competence, appropriate compensation package.
2. Cultural Factors (45.5%): cultural adaptability and flexibility, family adaptability, social and interpersonal skills, language skills, communication skills.

Step 4. The company notifies those who successfully went through selection process. In case of traditional expatriates, LLP “KP” and partner companies make a decision together in selecting most suitable candidates and notify them. The development and training begins from this point. Some “traditional” expatriates go through preparation in the home company or after arrival. While other types of expatriates can also participate in on-arrival preparations provided by LLP “KP”.

There are some comments of HR managers about selection issues:

Manager 1: *“Recently, high qualified human resources play big role for pharmaceutical company’s success. That is why selection is very important”.*

Manager 2: *“The success of the company depends on professional competence”.*

Manager 3: *“Pharmaceutical market is already quite narrow and it becomes more competitive. Experienced employee is an exception. The potential employer highlights now more qualified requirements for potential employees. Thus, there is significant rotation of specialists of middle and top management on pharmaceutical market.”*

Manager 2: *“There is a shortage of professional in our market. Pharmaceutical market is quite different from others. We use Internet resources for recruiting purposes. We also use recommendations of representatives of our partner companies.”*

Manager 3: *“There is big role of bonus system: quality of job performance, work in team, professional development”.*

Manager 2: *“It does not matter how successful you are. Your business and its future in the hands of the people you hire”.*

Manager 3: *“ It is obvious where the traditional expatriates come from. However, locally-hired and self-initiated expatriates come to our company through different sources: media and adverts, medical universities and recruiting companies.”*

Locally hired expatriates and self-initiated expatriates are selected mostly by local recruitment procedures. Recruitment process is provided through media and publishing, recruitment companies and outsourcing from medical educational institutions. The steps of expatriate management in LLP “KP” for expatriates with local contracts and “traditional” expatriates are based on interview findings and summarized below. “Traditional expatriates” are included from stage 5 to stage 10.

Summary of planning of procedures of expatriate management:

1. Analysis of current human reserves (number of employees, qualitative characteristics of employees: education, the presence of tolerance for pharmaceutical activity). Use of personal data of candidates.

The aim: to create and form information about human resources, identification of the demand for human resource for future.

2. Organizational analysis.
 - Analysis of job positions by nature of work;
 - Identification of vacancy requirements;
 - Identification of specialist requirements for these vacancies.

Aim: analysis of existing environment and understanding if there is a need for preparation and trainings for vacancies and why the vacancy was created.

3. Planning for human resource demand.

- Analysis of external and internal sources of forming staff in accordance with qualifications of potential employees, financial expenses, difficulties with adaptation.
- Identification of selection of alternative or combined sources of finding human resources for set period of time.

Aim: What kind of human resources is needed? How many?

4. Hiring and selection.

- Identification of stages of selection;
- Identification of the content of selection stages;
- Short explanation of checking tests;
- Selection of employees who are responsible for selection procedures;
- List of main selection criteria for candidates and ranking for importance.

Aim: streamline the process and avoid errors in selection.

5. Adaptation of employees (inclusion of “traditional” expatriates from these stage).
- Getting needed knowledge for quality of selection in his/her area of responsibility;
 - Getting skills for performance;
 - Adaptation of new employee to a new corporate culture.

Aim: make faster socio-psychological adaptation.

6. Motivation.

- Design of financial motivators;
- Design of non-financial motivators.

Aim: to stimulate employees for job performance for achieving the goals of company.

7. Corporate culture.

- Formation of the system of corporate values, standards of behavior in the company;
- Formation of the list of corporate actions.

Aim: creating of single corporate culture, common team.

8. Assessment of employees.

- Design of main principles of assessment of job performance;
- Explanation of stages and methods of assessment;
- Choosing people for assessment commission;
- Design of indicators of assessment of job performance.

Aim: provision of control and support of work efficiency

9. Trainings.

- Qualification improvement in the work place;
- Rotation of employees according to job title;
- Certification courses for promisors and pharmacists.

10. Attestation.

Aim: provide with higher professional level of specialists.

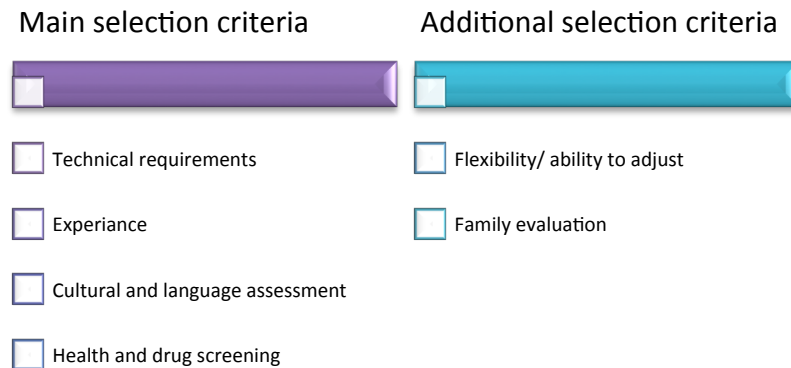
11. Planning of employee career (except “traditional” expatriates).

- Conditions for career development;
- Methods of assessment of employee readiness (experience, degree).

Aim: provide career development.

Selection process is overlapping with training and development processes as well as assessment and further career development. As it was found during the interview, the basic principles are applied for selection process. Thus, evaluation criteria include the characteristics of the individual, knowledge and skills, motives, values and attitudes, and results and efficiency of a job. The company follows the particular selection criteria (Figure 8).

Figure 8 Selection Criteria in LLP "KP"



Source: based on interview findings. Own compilation.

Some more comments concerning expatriate management:

Manager 1: *“A foreign specialist is certainly not a panacea and it does not mean immediate solution to all problems in the company. In areas where it is required a good knowledge of the Kazakh legislation, a foreign specialist will be useless.”*

Manager 3: *“It should also be noted that the financial needs of expatriates is not as high as it was before the crisis.”*

Manager 1: *“As the expatriates transfer the skills and knowledge to our local employees, we think that these local staff can take over the job tasks by themselves later.”*

Manager 2 stated that *“it is undeniable that the correctness of the diagnosis depends on the success of therapeutic interventions: Assessment is diagnosis, and training and development of employees are it is an organizational element of therapy”*.

The requirements of selection are designed on previous experience and already working expats and even local employees, who are successful. First of all, it is appropriate to make a decision on hiring, whether the company needs a foreign specialist. After that “the formula” for the selection is created. Selection process includes primary selection and secondary selection. Primary selection techniques starts from analysis of the list of candidates whether they are correspond to the requirements of the company. The aim of the primary selection is to narrow the number of candidates. The methods depend on aims, budget and vacant place of the organization. Primary selection includes:

1. Background checks
2. Medical screening
3. Psychological testing

Secondary selection is the process of choosing candidates from the limited number of applicants:

1. Line Interview (for traditional expatriates, it is done in the home company);
2. HR interview (for traditional expatriates, sometimes HR manager from LLP KP is sent to the partner company);
3. Supervisor evaluation (in LLP KP)

Table 15 below shows the procedures of selection process for different categories of expatriates in the KP.

Table 15 Selection criteria by expatriate type

Traditional expatriates	Step 1: home company selection (primary, secondary) Step 2: LLP “KP” selection (primary, secondary – harmonized)
Locally hired expatriates	Step 1: recruitment Step 2: selection in LLP “KP” (primary and secondary)
Self-initiated expatriates	Step 1: recruitment Step 2: selection in LLP “KP” (primary and secondary)

Source: interview findings. Own compilation.

Traditional expatriates go through the selection process harmonized between the partner company and LLP “KP”. Other types of expatriates are selected as local applicants.

The situational interview gives the opportunity to solve some problem. The examples of problems can be taken from real life and correspond to future job position. This method helps to identify general and analytical abilities of candidates. Such interviews should help to identify key competences. Criteria interview or competence interview aims to identify the level of correspondence of candidate to the vacancy

requirements.

6.1.2. Preparation

Preparation process is quite complex and depends on the type of the expatriate. Some expatriates have been provided by some pre-departure preparation and trainings before coming to Kazakhstan. It concerns mostly traditional expatriates. However, some traditional and locally hired expatriates also were provided by some cultural and language trainings in the company. The need of trainings and additional preparation is enhanced already during the selection process. The preparation is provided internally by the company and directed to the specific needs of expatriates.

Manager 2: *“The trainings and preparations are not cheap. It should be started after evaluating all the costs. So, we analyze volume and flow of foreign specialists in our company”*.

Manager 3: *“The main aim of the training or preparation is to turning weaknesses into strengths. It is continuous process, so it is extend even to management support”*.

The preparation time ranged between two weeks and one month in LLP “KP”. As it was mentioned, some traditional expatriates received pre-departure trainings. It was between one to three months.

The general programs of preparation in LLP “KP”:

1. Orientation week;
2. Informal meeting with local employees;
3. Mentor program with introduction course and allocation support. This issue will be examined in detail in the following chapter.
4. Culture and language training;
5. Pre-assignment programs (the representatives from partner companies visit LLP “KP” in order to collect information and evaluate the environment.

The Table 16 below gives some insights into the preparation programs carried out by the company. It indicates the percentage of importance of using by LLP “KP”.

Table 16 Preparation programs

Preparation programs	% of using
Pre-assignment visit by mentor from abroad	25%
Realistic job previews	26%
Health screening	19%
Language training	10%
Family readiness evaluation	5%
Cross-cultural preparation	15%

Source: based on literature (Lomax, 2001). Own findings. Own compilation.

Health screening is obligatory for expatriates and cover 19%. Cross-cultural trainings take 15% from the total number of preparations. The language training has lower percentage because most of the expatriates have short-term stay in the company and other categories of expatriates are Russian speakers or already fluent in this language. Pre-assignment visit (25%) is provided for the partner companies' representatives. So, they can see the environment where their employees will be assigned in the future. Representatives from partner companies of LLP "KP" are provided by orientation trip in order to gauge the true conditions of the new environment beforehand. The orientation trip includes meeting with the management of the company and its employees, meeting with real estate agencies and meeting with host country mentor. Realistic job previews take 26% from total. However, the family evaluation is only 5%.

Manager 2: *"We do not provide preparation programs for families".*

Manager 3: *"We do not have much opportunity to take care about expatriates' families. Hence, we try to shorten the assignments at least for "traditional" expatriates. In the next two years, we are going to shorten the number of expatriates in the company."*

Manager 1: *"Orientation week and visit contributes to faster adjustment."*

Manager 3: *"Adaptation should be faster with preparation."*

The adjustment of foreign specialists from different countries can vary. But if

such person speaks Russian, the process of joining the team becomes easier. Generally, expatriates from CIS countries are more attracted by the company. In addition, when we talk about adaptation, it is extremely important to get feedback. The first time, it requires a lot of participation, time and emotional costs to understand each other and to develop adequate and open communication scheme. It is not possible to hire expatriate for the job and just expect that everything will become different. The company systematically evaluates employee loyalty: so, for many years the leading factor that provides loyalty of expatriates is the availability of direct communication with management, and for top managers - shareholder business. So in time communication with foreign expatriates is very important.

Manager 1: *“we do not provide direct communication very often, but open dialogue and support should always take place”*.

Manager 3: *“Therefore, our company is very selective and critical for participation in various development programs, preparation on arrival and trainings.”*

6.1.3. Management support

The management support of expatriates is critical as it may improve or worsen the performance of work of foreign workers. Mostly, management support covers the issues of compensation. The company provides some support in financial and non-financial form. The partner companies, which sent their employees for the assignments to LLP “KP” also take part in support process. However, it was not discussed in detail with HR managers during interview. The focus was made mostly on support programs within LLP “KP”. The Figures 9 and 10 below shows types of expatriate support by management of “KP” Company.

Figure 9 Financial support provided by LLP "KP"

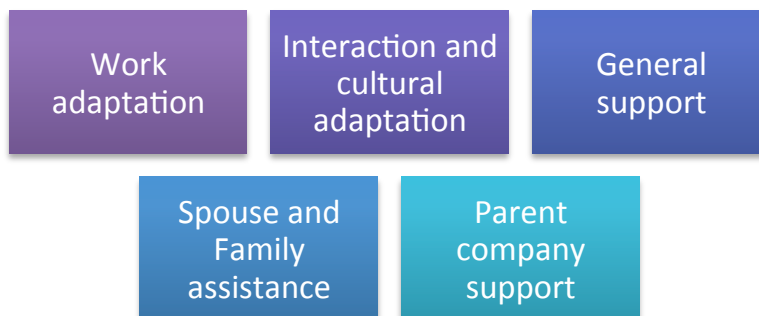


Source: internal sources of the company. Own compilation.

Allocation expenses concern only “traditional” expatriates. Allowances for technical support include expenses concerning car use, technical devices, etc. The bonuses and rewards are motivational and employed in the case of successful work performance of expatriates.

Manager 1: *“Too high salaries for expatriates now are not really true statement. The times when Kazakh employers could pay for the beautiful image of an experienced foreign professional is in the past. Today, we are not ready to pay crazy money almost to anyone. We wait for the results”*. Manager 2: *“In most cases, the proposed financial rewards, approximately, are + 30% and +35% to the existing wage level for foreign specialist.”*

Figure 10 Non-financial support provided by LLP "KP"



Source: based on internal sources of LLP “KP”. Own compilation.

The Figure 10 above shows various non-financial support of expatriates within the company LLP “KP”. Work, interaction and general adaptation can be continued after the preparation process. “Traditional” expatriates experience the support program from their home companies while the rest continue the adaptation support within LLP “KP”. General support refers to how the organization cares about expatriate well being, allocation and their contributions to company's activities. General support includes health assistance support as well. The company has health support programs, which are completed through the partnership with medical institutions in different cities of the country. Spouse and family support is “an instrument” for coping with stressful situations for those who have their families in Kazakhstan. Particularly, the spouse can provide some assistance in order to help the expatriate to overcome problems in work and adjustment and relocation process. This can influence the success of the expatriate in the foreign environment. However, the company helps only with assisting in finding a job for the spouse and with consultations concerning the adjustment process. Interaction (communication) is important in order to gather the information, which can help to facilitate expatriates’ adaptation in the country. Hence, expatriates may develop positive associations about the local people, particularly, subordinates and other employees in the company. This can contribute to general adaptation. The level of job performance can be linked also to level of cultural adjustment. Hence, the company extends the adaptation programs after the preparation. It was found by the company that preparation programs are too short and not enough for the expatriates, especially for expatriates from completely different cultures.

Manager 3: *“Preparation programs and support increase the level of successful assignments. That is why, we try to improve these spheres.”*

The most forms of support are assisted by the mentors. He or she gives the instructions and assists expatriate during his or her job performance. The mentor programs are very good tools for the company. Mentors can coordinate and assist the expatriates in many aspects of work and life. In case of the traditional expatriates, the mentors are provided by both LLP “KP” and partner companies. Mentors from partner companies assist their expatriates through electronic communication. Both mentors can

also communicate with each other as well, in order to discuss the issues concerning particular expatriate.

6.1.4 Repatriation

Repatriation process is not in a big concern of LLP “KP”. However, “KP” Company provides some assistance for repatriates through their mentors until they come back to their home countries. Mentors may assist repatriates with remotion, document organization for departure, etc. The company cooperates with the partner companies to manage their return. The answers concerning repatriation were poor and do not provide complete information about this issue.

Manager 1: *“The repatriate preparations are scheduled in the last month of an assignment. We start planning for the replacement of the expatriate by local employee before expatriate departure.”*

Manager 3: *“As we said before, the duration of traditional expatriates is shortening. They come for 1 or maximum 3 years to share knowledge and train our local employees. Our company is not responsible for their post departure career planning. Our primary goal is to plan the replacement or transfer of repatriate’s responsibility to another employee.”*

Manager 2: *“Unfortunately, we cannot assess repatriates on “reverse cultural shock” and our company does not organize any pre-return trainings and exit interviews.”*

Manager 3: *“Mentor can help with repatriation process. But it is not supervised by the company management in detail.”*

However, repatriation stage can be linked to shortening of assignment. It was mentioned that the company shortens the number of the expatriates and will do it in the future. The managers explained it by the fact that the company is going to reduce their costs concerning expatriate management. The other reason is to replace them by local advanced employees. Most of the international projects do not require more than 1 year. Sometimes it could take even less.

6.2. Questionnaire

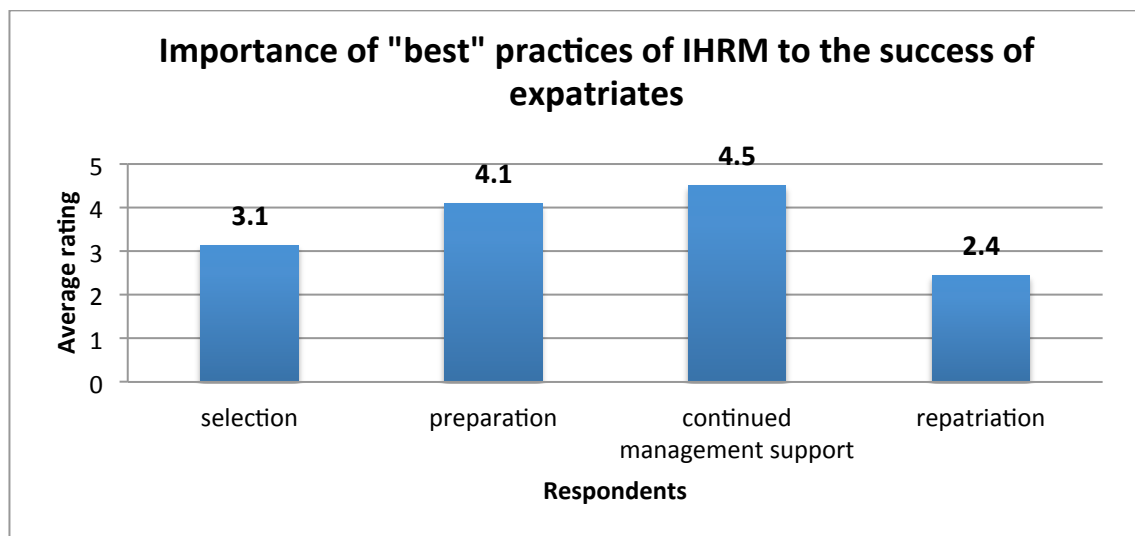
The findings of questionnaire were grouped into five parts, which are connected to

the issues considered in the literature review. The five sections include:

1. Characteristics of sample group (i. e., professional and personal background of respondents);
2. Selection process of expatriates in the chosen company;
3. Preparation of expatriates in the selected company;
4. Management support in the chosen company;
5. Repatriation process of “traditional” expatriates in the selected company.

All expatriates were asked to rate the importance of the contribution of five practices: selection, preparation, management support and repatriation to the success of their assignments. This importance of four practices in IHRM was evaluated using 5-point Likert-type scale, where 1 is not significant, 3 - neutral, and 5 is significant. The average rates are presented in the Figure 11 below.

Figure 11 Importance of IHRM practices



Source: Own findings. Own compilation.

The results show that the most important practices for expatriates are preparation and continued management support. The importance of repatriation is low due to the fact that half of respondents do not experience this stage and cannot provide the adequate evaluation of repatriation assistance in LLP “KP”.

6.2.1. Non-responses of questionnaires

The problem of electronic questionnaires and other self-completed tools is nonresponses. Total response rate of this questionnaire method is 46.03%. Hence, nonresponses make up 53.97%. In order to measure the errors, non-respondents were asked to explain the reasons of not completing the questionnaires. That majority of sample group did not reply, other 11 expatriates did not have time to fill in the questionnaires. Some expatriates replied that they did not receive the questionnaire for unknown reasons and some of them had problems with electronic communication, such as problems with emails and technical problems. The Table 17 displays their feedback in more detail.

Table 17 Non-responses

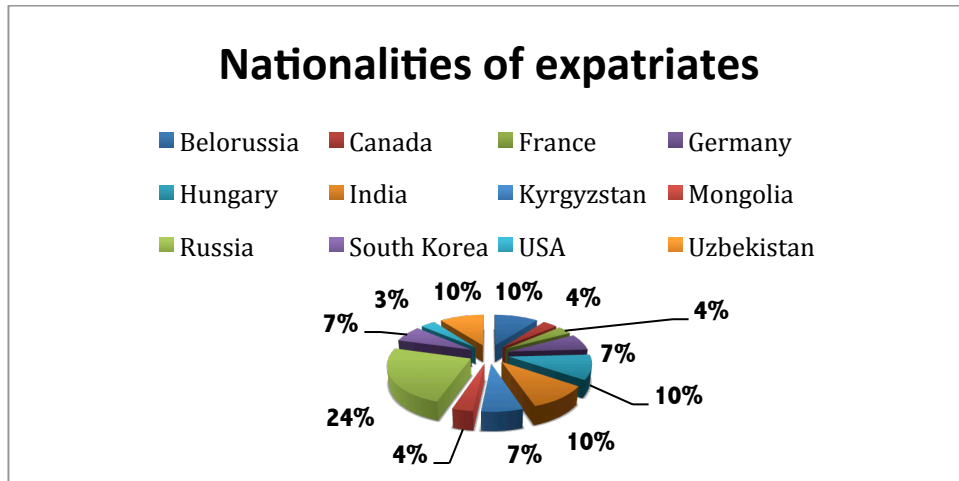
Not received	5
Did not have time	11
Problems with electronic communications	2
Did not reply	27

Source: Own data. Own compilation

6.2.2. Characteristics of sample group

The rate of response of electronic questionnaires is a percentage, where respondents were mostly males and the age varies, approximately, between 30 and 40 years. The response rate is significant for the analysis of the results and it is representative for the examination. The expatriates came from 12 countries (Figure 12).

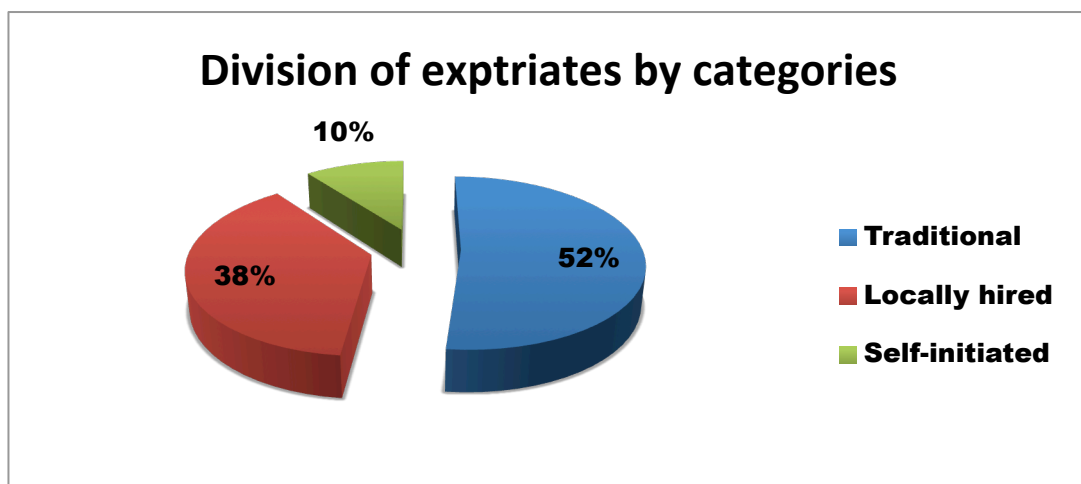
Figure 12 Cultural backgrounds of expatriates



Source: Own findings. Own compilation.

“Traditional” expatriates have the largest share among other types of expatriates. They cover 52% of respondents. Locally hired expatriates share is 38%, while self-initiated expatriates have only 10% of share (Figure 13).

Figure 13 Division of expatriates by category

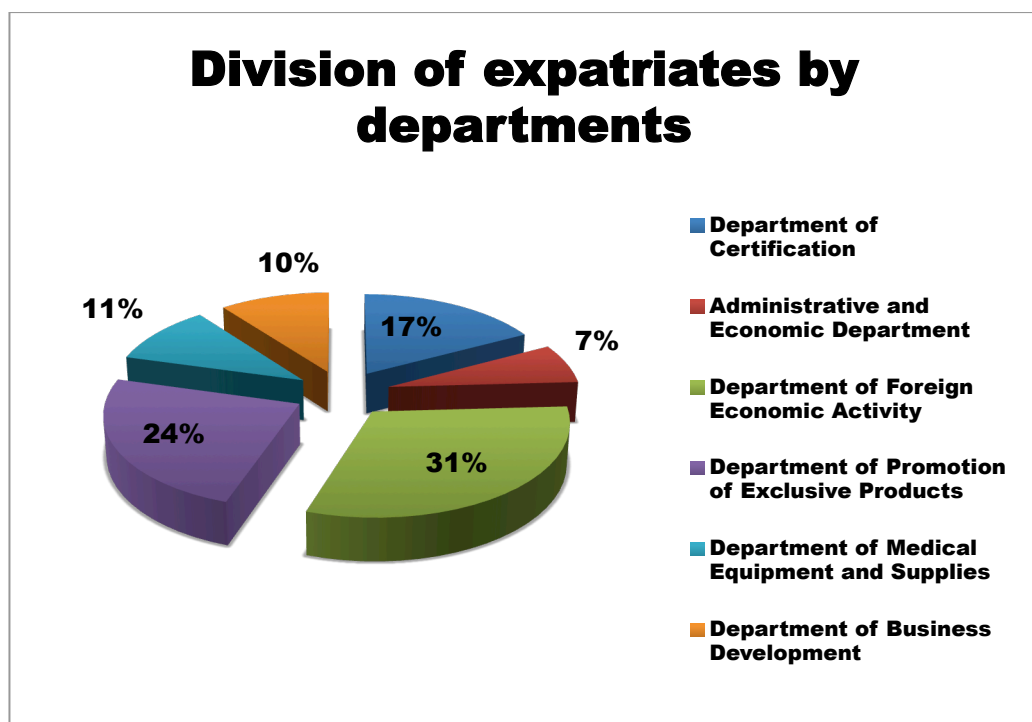


Source: Own findings. Own compilation.

The expatriates come from different departments (Figure 14). The results show

that, mostly, the expatriates have functions concerning foreign affaires, supplies, development and promotion and certification. The findings are quite obvious as expatriates can greatly contribute to these activities. The largest share of respondents comes from the department of foreign economic activities, while 24% of expatriates come from department of promotion of exclusive products. This department includes more traditional expatriates as they help to promote the products from their home countries and they are more familiar with these products. Self-initiated expatriates come from administration and business development. Locally hired expatriates are also having functions in administration as well as business development department.

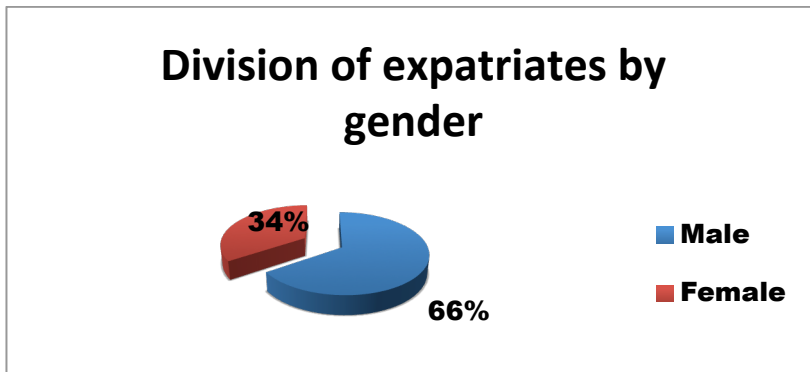
Figure 14 Division of expatriates by department



Source: Own findings. Own compilation.

The other findings (Figure 15) indicate that male expatriates (66%) are prevailing female expatriates (34%). Most of female expatriates have shorter period of stay than males. Generally, female expatriates are less flexible than males (Lomax, 2001, p. 14). They are more linked to the family and children, which make the expatriation for females more complex and even costly (Lomax, 2001, p.15).

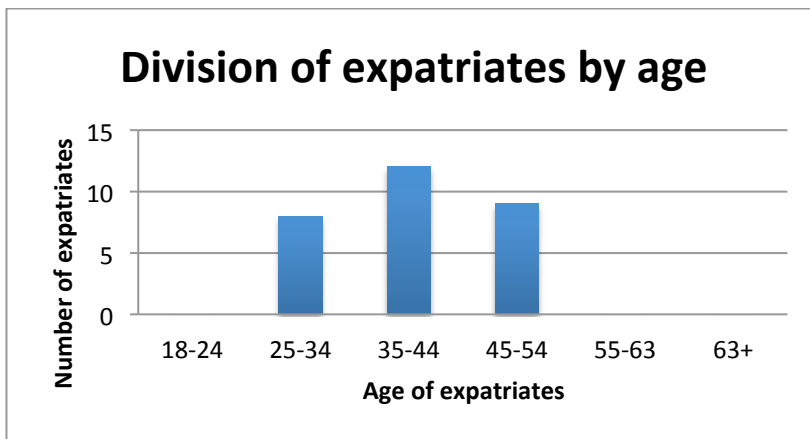
Figure 15 Division of expatriates by gender



Source: Own findings. Own compilation.

The Figure 16 displays the results about age distribution among respondents. It shows that number of expatriates in age from 35 to 44 is prevailing among others. However, there no younger expatriates than 25 years and older than 54 years. As the company is focusing on skills and knowledge of expatriates, it is obvious that most of expatriates are in 30s and 40s.

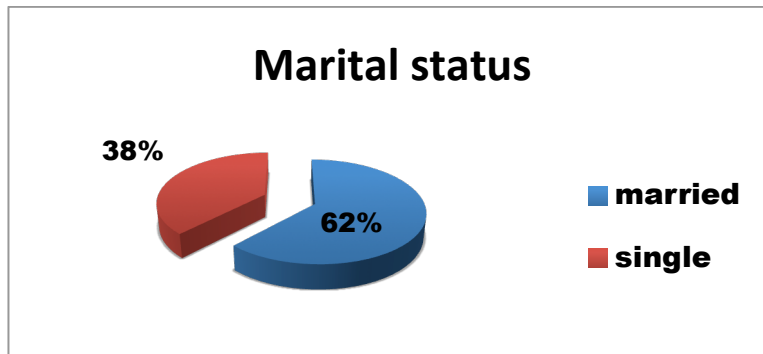
Figure 16 Division of expatriates by age



Source: Own findings. Own compilation.

The Figure 17 below indicates the marital status of respondents. A total of 62% of expatriates are married, while 38% are single.

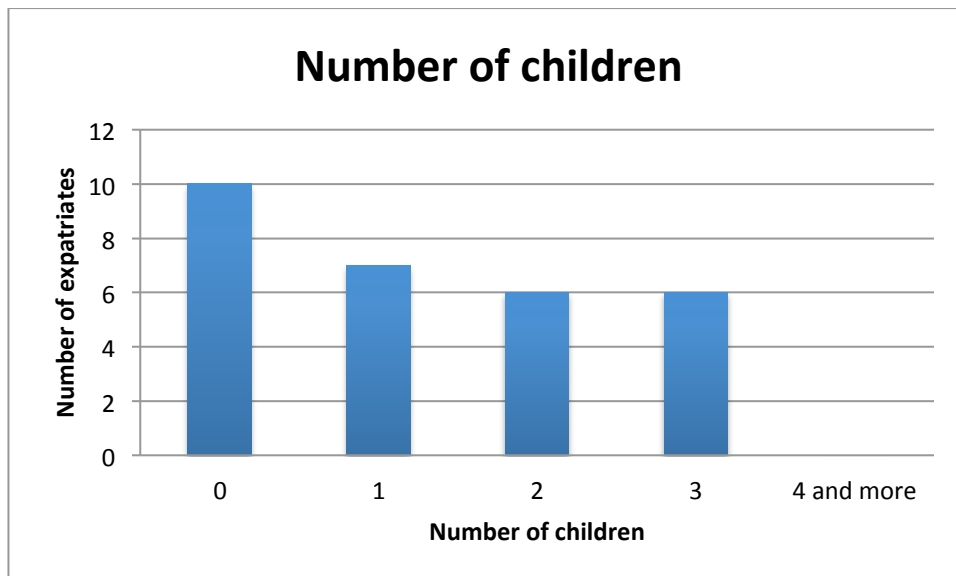
Figure 17 Marital statuses



Source: Own findings. Own compilation.

It should be mentioned that not all expatriates brought their spouse and families to Kazakhstan. The accompanying families concern only expatriates with local contracts. The following findings concern family issues as well. Figure 18 indicates the expatriates with those who have and do not have children

Figure 18 Number of children



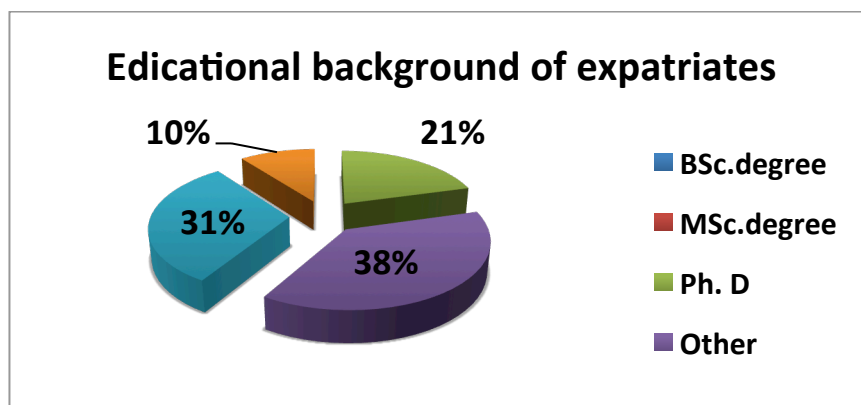
Source: Own findings. Own compilation.

These results show the number of children, in general. The results display that there are 10 expatriates who do not have children, and 9 expatriates who have one and more children. The family issues can influence the performance of expatriates in the work. The spouse and children can cause the break of the contract or assignment of an expatriate. For this reason, the respondents were asked whether they came with their families or not. As it was found earlier, 18 (68%) of expatriates are married, however,

11 of them did not bring their families to Kazakhstan because of the short stay assignments or the families live in CIS countries, which facilitate to move freely between the borders of Kazakhstan and the rest of CIS⁶ countries. Other 7 expatriates live with their families, including spouse and children, in the territory of the Republic of Kazakhstan.

The Figure 19 indicates the educational background of expatriates. Results show that most of them are MSc. Degree holders. BSc. Degree holders and who indicated other educational background are mostly from CIS countries.

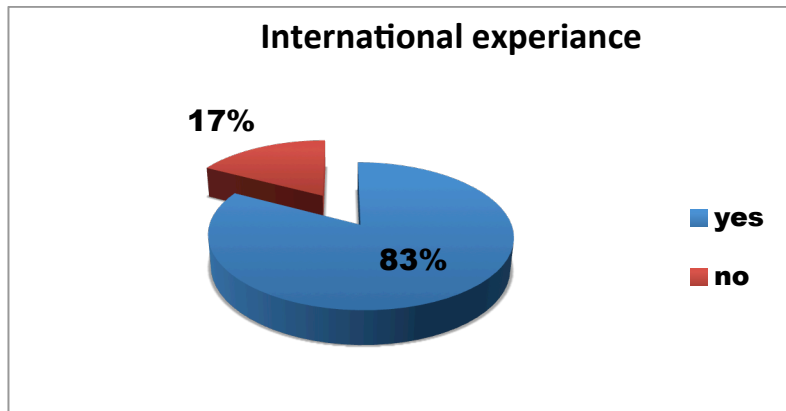
Figure 19 Educational background



Source: Own findings. Own compilation.

The other very important factor, especially, in selecting process, is the presence of international experience (Figure 20). The results show that 83% of expatriates had international experience in the past, while only 17% of them did not have any international assignments or have never worked before abroad and it is their first experience. This results have positive influence on job performance as majority have experienced foreign work and it can contribute to faster adjustment as well as to increase the success of expatriates.

Figure 20 International experience

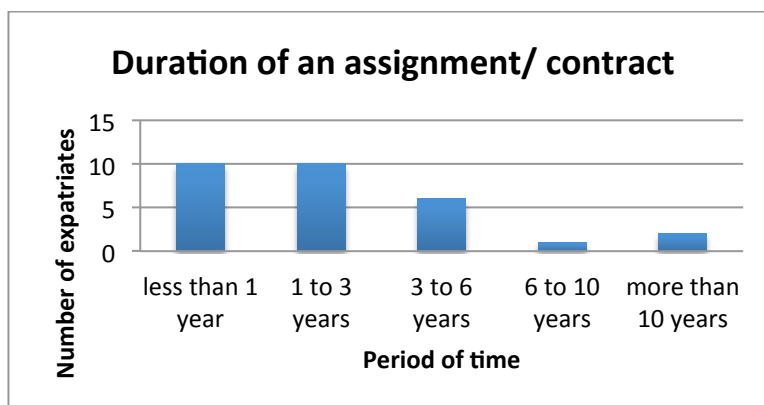


Source: Own findings. Own compilation.

A total of 48% of respondents were employed in LLP “KP”, while the rest of expatriates were sent from their companies to complete international assignments. The results in Figure 21 show that the short-term stay of assignments of traditional expatriates is prevailing. These assignments vary between 1 and 3 years. More detailed information about duration of stay can be found in the Appendix D.

The long-term stay concern mostly expatriates from CIS countries and their contracts based on rotation system, where they come back after breaks. They easily can move between host and home countries.

Figure 21 Duration of stay in LLP "KP"



Source: Own findings. Own compilation

The results of demographic characteristics from electronic questionnaires are generalized and give understanding of sample group background, which give richness to the research findings. The following section explores questionnaire findings according

to best practices in the IHRM.

6.2.3. Selection

Selection process is harmonized between LLP “KP” Company and their partner companies in other countries. This process determines how a future employee will perform and he or she will be flexible in a foreign environment. The quotes are provided by the expatriate number, which also can be found in Appendix D. This statement was confirmed by some expatriates in LLP “KP”:

“Selection is a crucial for the expatriates and it determines the success of the assignment” (13).

However, another expatriates in the company responded that *“selection is crucial but it does not mean that the assignment will be successful. It does not guarantee it”(8).*

“In general, expatriates are hired because of their knowledge and skills, which the company cannot get in local labor market” (2).

“ If selection process is well planned it can enhance successful work of an expatriate in the company. But, mostly, it depends on an individual whether he or she is fast in adjustment to the new environment. Such individual factors cannot be completely seen during selection process”(16).

Traditional expatriates suggest that the selection process was done through their home companies. However, companies applied the selection criteria employed in LLP “KP”. Furthermore, there are replies of expatriates explaining the reason for applying for the assignment or job position in LLP “KP”. The finding shows that most of the applicants were asked by management to take these assignments. Another applicants suggested that career development was the reason to accept the foreign assignments. The Table 18 represents the reasons of all categories of expatriates for working in LLP “KP”.

Table 18 Reasons for accepting/applying for international work

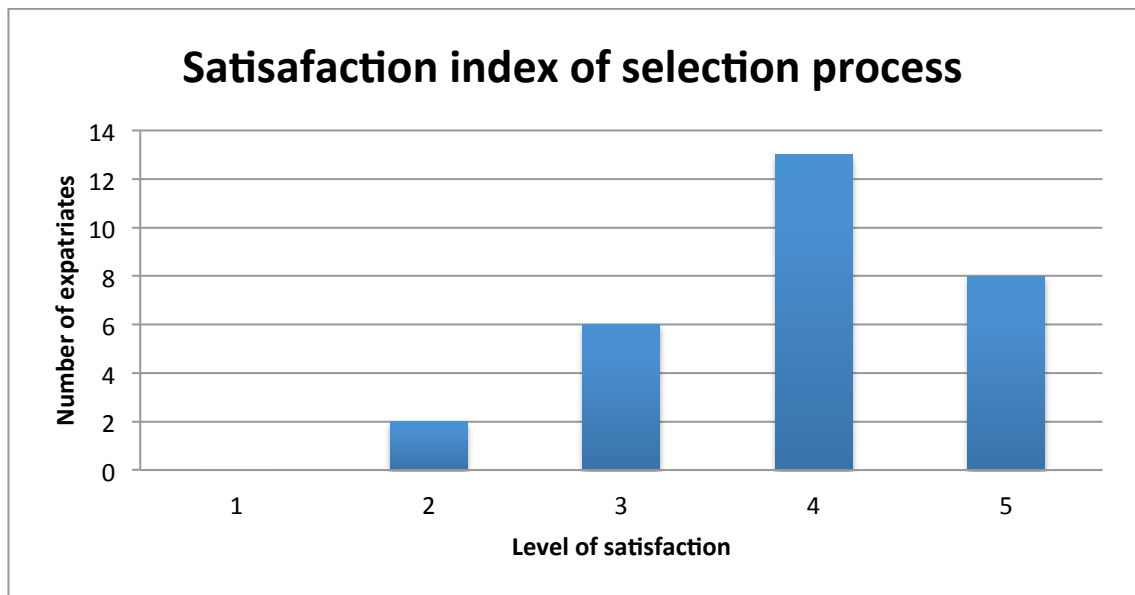
Reasons for accepting assignment/ applying	Traditional expatriates	Locally Hired expatriates	Self-initiated expatriates
Asked by home company	75%	-	-
Experience	15%	-	33%
Career advancements	-	63%	14%
Opportunities	-	10%	34%
Adventure	10%		
Personal	-	24%	9%
Other	-	3%	10%

Source: Own findings. Own compilation.

The biggest reason for traditional expatriates is that they were asked by the management to perform in LLP KP. Locally hired expatriates suggested that career advancement was the main reason for applying to the positions offered by LLP KP. Self-initiated expatriates highlighted that there some opportunities for personal and professional development.

The next findings correspond to satisfaction of expatriates with selection process (Figure 22). It is based on 5-pont Likert scale (1-not satisfied, 3-neutral, 5-satisfied).

Figure 22 Satisfaction level with selection process



Source: Own findings. Own compilation.

As it was mentioned before, the flexibility and an adjustment are crucial for the selection stage. It should be taking into account during selection. Candidates should demonstrate sensitivity and fast adaptability to a new environment. The majority of respondents are quite satisfied with the selection procedures in the company.

6.2.4. Preparation

The preparation stage has complex issues. Generally, it is costly for the organizations and it is time consuming. Generally, all expatriates are provided by preparation programs. “Traditional” expatriates can get some pre-departure training while other types of expatriates can be provided by different kind of preparations in the company.

The one expatriate stated: *“cultural adjustment and language are crucial as Kazakhstani people speak Russian and the culture is quite diverse”*. So, the preparation programs on arrival should be the obligatory procedure in the company”(3).

“Basic language training and brief and brief knowing of environment is very useful”

(13).

“It is not always useful to go through pre-departure preparation. May be it would be better to have trainings in the host country. Then, you can get more from preparation. However, it depends on the quality of preparation programs offered”(5).

“ If you know the cultural aspects in the host country you can know what to expect. Pre-trainings means a faster learning”(15).

Another expatriate stated: *“preparation or training may facilitate and shorten adjustment but it does not always guarantee success”*(7).

However, another expatriate suggested that *“preparation or trainings mean effectiveness in job performance and, of course, it is crucial for professional and personal success”*(2).

“It is more difficult to settle in another country when you are alone but if you are prepared, you can deal with all issues in the new environment”(4).

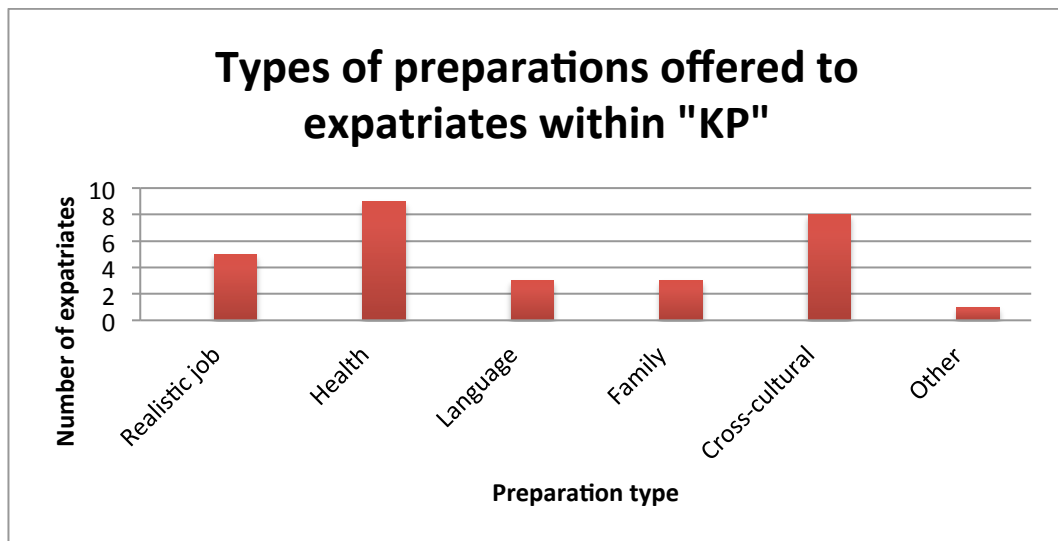
“The first impressions are critical as they can make adaptation period more difficult or easier”(9).

“Originally, an educated person will succeed, however, without some trainings it would be more stressful and will take more time to achieve success”(3).

“When the company hired me, I was provided by two-week professional orientation, which helped me subsequently. But I would like to have more time for preparation. However, the company provides some support during my job performance”(16).

The Figure 23 below represents different types of preparation, which were offered to expatriates by LLP “KP”. As it was mentioned, other types of expatriates can participate in on arrival preparations together with traditional expats.

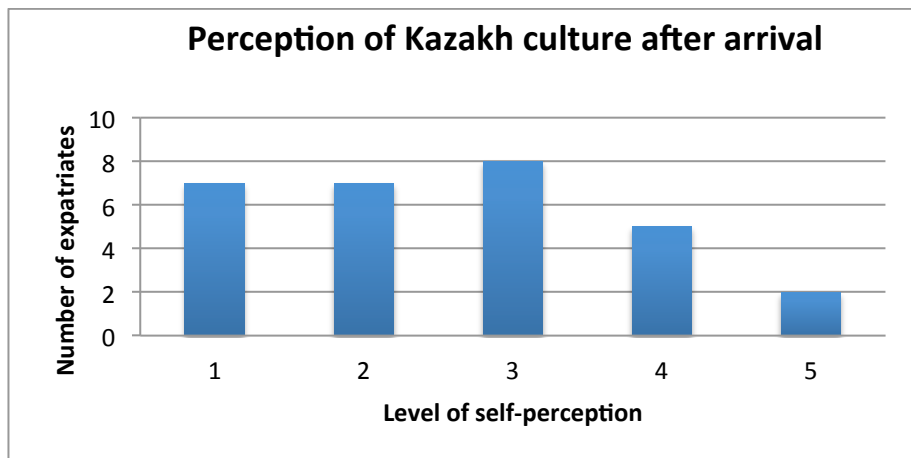
Figure 23 Types of preparations offered



Source: Own findings. Own compilation.

The results show that the most utilizing types of preparation concern cultural and language trainings and health benefits. As there are few expatriates with accompanying families, the family readiness evaluation is not significant. Language training is utilized less because of the significant number of expatriates from CIS countries and those who came for short time assignments. The other aspects concerned the cultural adjustment of expatriates in Kazakhstan, which aims to explain whether they are flexible enough in the new environment. The results were extracted by Likert-scale questions. The arrival to the new environment brings some obstacles, which can be experienced by the expatriates. The findings in Figure 24 show the self-assessment of the perception of Kazakh environment, which expatriates faced after arrival to Kazakhstan.

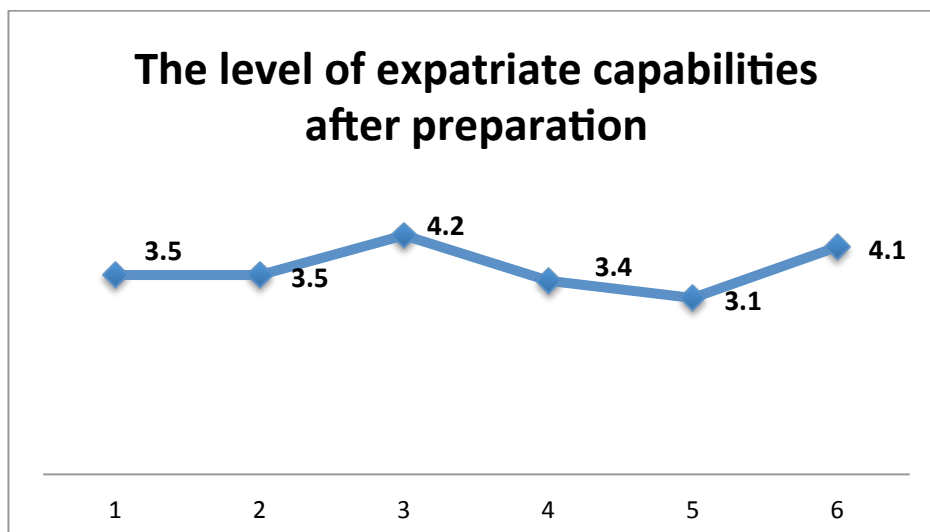
Figure 24 Perception of Kazakh culture



Source: Own findings. Own compilation.

The findings (Figure 25) below correspond to the self-assessment of expatriates on adaptation and personal capabilities.

Figure 25 The level of personal capabilities and adjustment



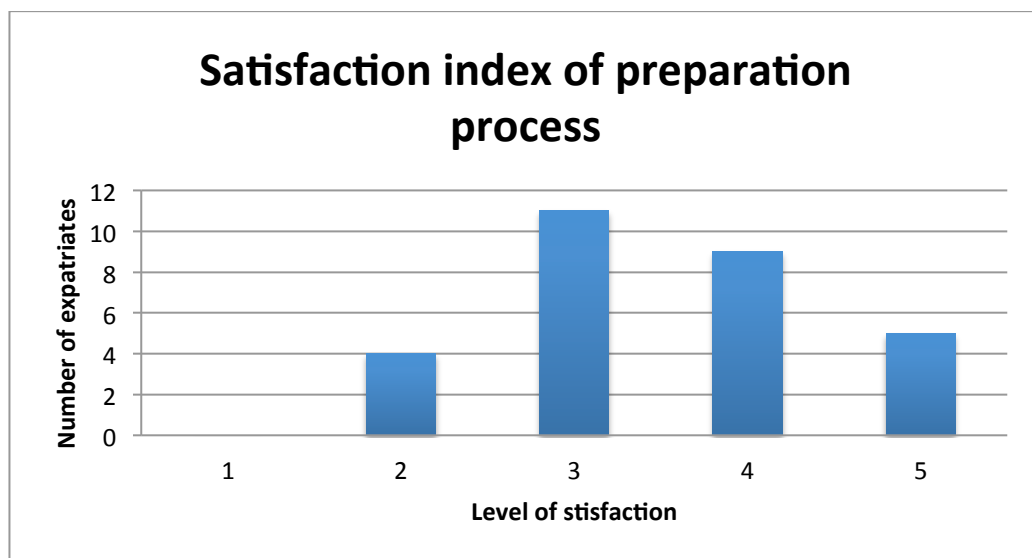
Source: Own findings. Own compilation.

The findings above show five questions on X-axis concerning capabilities of respondents to adapt to the new environment. The average results of each question are represented above. They are based on Likert 5-point scale (1-totally disagree, 3-neutral, 4-totally agree). Hence, the first question deals with general living conditions in

Kazakhstan, which show the average 3.5. The second question involves the knowledge of legal and economic system in Kazakhstan with the average answer of 3.5 as well. The third question covers the knowledge on values and beliefs of other cultures in general. The result is 4.2. The fourth and fifth questions correspond to the flexibility of verbal and non-verbal behavior with average answers of 3.4 and 3.1 points. Generally, the results show that all expatriates are able to adjust to the new culture. The sixth question corresponds to adaptability to work related tasks with average 4.1. However, their self-assessment is quite neutral.

The level of satisfaction with the preparation of expatriates in the company is presented below in the Figure 26.

Figure 26 Level of satisfaction with preparation



Source: Own findings. Own compilation.

The results clearly indicate that the preparation programs are employed by the company on good level and most of expatriates are satisfied with the preparation programs.

6.2.5. Continuous Management support

Management support is mostly significant to “traditional” expatriates and those expatriates with families. Generally, the support is provided to all expatriates in the company. The respondents were asked to rate the support within the company, which they received. A list of the most essential support is based on literature review and information provided by the company. The results are shown below (Table 19).

Table 19 Support provided by LLP "KP"

Type of support	Number of expatriates
Management support	29
Co-workers assistance	19
Mentoring	17
Financial support and allowance	26
Culture and language training (extended)	9
Other	25

Source: Own findings. Own compilation.

The company does not provide any information about expatriate clubs and does not organize it within the company. Additional financial support is offered only for 26 expatriates, while mentoring is provided only for 17 respondents, which include all traditional expatriates and self-initiated expatriates. A total of 9 respondents have some continued cultural and language training. This finding is interesting, as the preparation program was quite significant during preparation. However, during of continued management support this assistance has less impact while expatriates still demand it. A total of 19 expatriates indicated that they get social support from co-workers Total of 25 expatriates is provided by other types of support. It includes technical assistance, allocation assistance, etc.

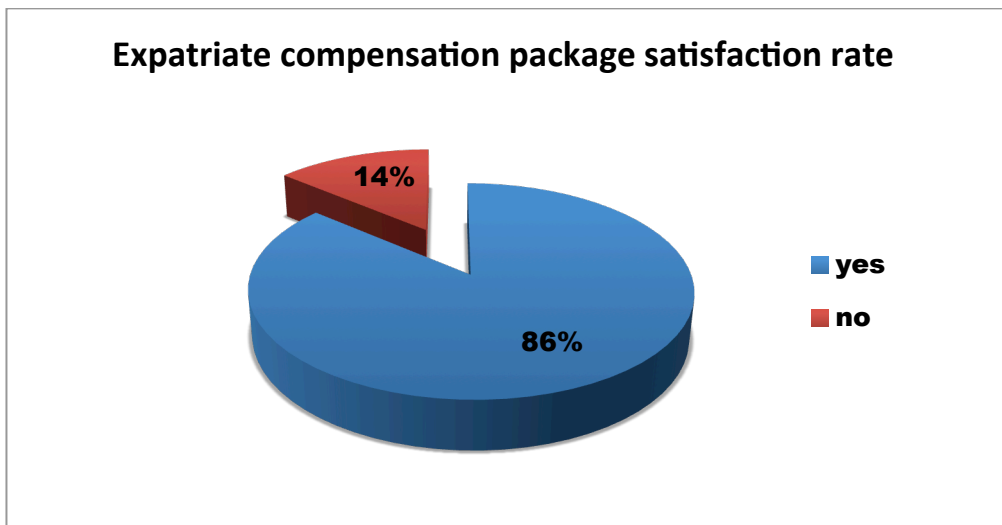
The expatriates were asked to indicate the level of importance of each of non-financial category support. The rank of importance (1- most important, 5- least important) of non-financial support is derived from the total of 29 responded expatriates:

1. General support

2. Cultural adaptation and communication
3. Work adaptation
4. Spouse and family support
5. Language trainings
6. Other

The results show that, generally, expatriates are care about general support and cultural adjustment support. It is important to mention the compensation package provided by the pharmaceutical company. Compensation is a major financial motivator for the expatriates. The full expatriate package was not considered due to difference of categories of expatriates. The locally hired and self-initiated expatriates do not experience relocation support. The Figure 27 below indicates the satisfaction rate with compensation package in LLP “KP”.

Figure 27 Satisfaction level with compensation package



Source: Own findings. Own compilation.

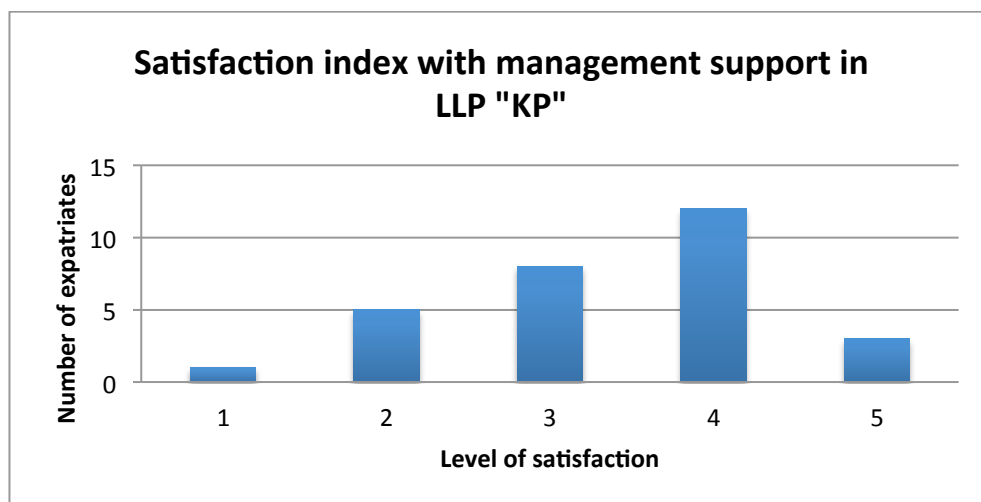
The Figure 27 above indicates the satisfaction with compensation package of expatriates. Approximately, 14% of respondents are not satisfied with the compensation package offered by the company and the rest is satisfied with it. Another issue arises concerning the family support by the company whether they were assisted in finding a job in Kazakhstan or not. It was found that there are seven respondents who married and brought their families to Kazakhstan. They were asked whether their spouses were

supported in these issues or they were not. The results showed that the company does not provide full support for the families of expatriates. However, they can help to assist with a job finding. At total five expatriates and their families were assisted in job finding issues. Other two expatriates commented that they have found a job for their spouses without the help of the company.

The mentor assistance can provide support in in different aspects. It can help to adapt to a new work environment and increase the rate of success of job performance. This also can help to facilitate the adaptation process and reduce “the cultural shock” of an expatriate as well. Hence, the mentor can provide the expatriates with job and cultural information. LLP “KP” Company has mentor programs, which are offered for their expatriates. Figure 19 shows that a total of 17 expatriates are provided by mentor assistance. This number includes all “Traditional” expatriates and two expatriates with local contracts.

The overall level of satisfaction of expatriates with management support within LLP “KP” is presented below (Figure 28). The findings are based on 5-point Liker scale tool.

Figure 28 Satisfaction level with management support in LLP “KP”



Source: Own findings. Own compilation.

The Figure 28 above shows that majority of respondents are satisfied with the

management support during their assignment or job contract. Even if results represent positive findings, there some expatriates that do not get full support from the company. These expatriates mainly include locally hired and self-initiated respondents.

There are some comments of expatriates concerning the importance of management support, which directly contribute to the expatriates' success:

"The company has to look after its people as they make money and image for the company"(24).

"If the company wants to get more from the expatriates, it should support them. It should be in the primary interest of the company. Otherwise it will be hard to perform the work"(14).

"I do not really get much support from the company. I get support from my home company and I think it is critical for adaptation process. It simply makes it easier"(10).

"It is great motivational tool. It contributes a lot to the success of the assignment"(11)

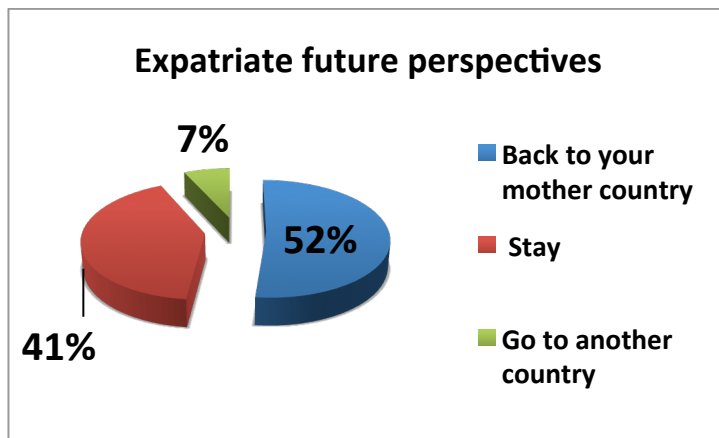
" I get some support from the company. It helped to find a job to my wife and I am pretty happy with my compensation package"(27).

"The company has some motivation programs, which includes financial and non-financial rewards"(1).

"It is also depends on person whether he or she needs more support than others. Some individuals can cope for themselves. It depends on personal characteristics. So, it is pretty the same as the preparation issues"(5).

The following findings correspond to future career perspectives of expatriates (Figure 29).

Figure 29 Expatriates' future perspectives



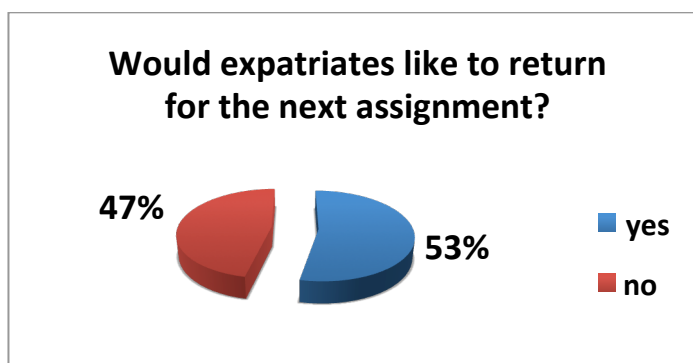
Source: Own findings. Own compilation.

The results in the Table above indicate that 52% of respondents will come back to their home countries. Total of 7% would like to go to another country and the rest is planning to in the company “KP”.

6.2.6. Repatriation

This section is created only for “traditional” expatriates. It consists mostly from open-ended questions where the answers may provide the recommendations and suggestions by the departing expatriates for the company as well as for the currently working expatriates in LLP “KP”. However, at the beginning, it is appropriate to explorer whether traditional expatriates are able to come back for another assignment to the LLP “KP” or not (Figure 30).

Figure 30 Share of expatriates planning to return to LLP "KP"



Source: Own findings. Own compilation.

The results show that 47% of “traditional” expatriates would like to come back to home company, while 33% of traditional expatriates would come to the next assignment in LLP “KP”.

There are some comments, recommendations and advices.

“I have an international experience and I think that flexibility is crucial factor because you cannot predict everything. Another important factor is adjustment to the new environment”(15).

“You have to be flexible and open minded in order to perform a job successfully abroad”(11).

“Previous international assignment can help a lot, even more than trainings, pre-departure preparations and mentors”(1).

“ The language is very important because most of the Kazakhstani people cannot speak English.”

“Before coming to work to another country, it is better to do a lot of online research about that country and particular about new workplace”(7).

“After arrival, you need to settle as fast as possible”(8).

“Any organization working with expatriates should have individual approach to every person”(6).

“Preparation has limited time to access”(3)

“The first 6 weeks are more needed for support from the company”(4).

“Need more time for creating social network”(12).

Comments about repatriation:

“More important for me is that I am coming back home” (13).

“Repatriation is very important. The company should also take part in repatriation program. It would be great if the company could provide some exit interviews or counseling”(3).

“Repatriation process may affect your decision whether to take another international assignment”(7).

However, some expatriates did not highlighted the importance of repatriation:

“For me it is not really important as I come back to familiar place”(8).

“It is not essential”(9).

“It is critical issue as after returning home, a repatriate may find changes in social and work environment. This can cause the changes in attitudes. So, there is a need in some assistance from both the home and host companies”(12).

“It is harder to re-enter to home environment than enter to the new one”(5).

“Repatriation is not significant for me as I am returning to home”(11).

“It is not essential until it influences future international assignment programs”(6).

This chapter presented the results of the research in this paper. It includes findings from interview and questionnaire. The main purpose was to examine four practices of IHRM, which influence the success of expatriates. The following chapter discusses the results of findings.

7 Discussion of results

The main aim of this chapter is to answer the research questions, which were designed for this paper. The implications of the literature and research findings will be discussed and recommendations will be given. Suggestions for the future research will be proposed. The findings have confirmed the importance of IHRM practices, such as selection, preparation, management support and repatriation. Success of expatriates is important issue because this is a complex and individual aspect. There are no correct answers in order to define the success of expatriates. The research was focused on most important practices of IHRM and its contribution to expatriate's success.

It is appropriate to recall the research question of this paper:

How thoroughly is LLP "KP" implementing the IHRM practices, such as selection, preparation, management support and repatriation processes?

This question was split into four sub-questions in order to make it more specific for the research. This will help to make the recommendations and conclusion more comprehensive for understanding:

- How successfully is the selection process held in the selected company?
- Why is preparation practice important for the expatriates?
- What kind of management support is provided by the company? How effectively is it provided?
- Why the repatriation program significant for the company?

Each question will be considered separately.

7.1. Selection

Going back to personal characteristics of sample group, the dominant gender of respondents is males. Most of the expatriates are married. So, there is a need to consider spouses and children. Personal characteristics are crucial as expatriates should be flexible and adaptable. However, most of the expatriates in LLP "KP" have short-term assignments, which means that they do not need to be accompanied by their spouses and families. As it was found, the spouses are not involved during selection process. Most of respondents were in age between 34-44 years. This can be an issue, because the

company seeks for the experienced people with advanced skills and knowledge. So, the individuals in these ages are the best for providing such knowledge.

The selection process is influenced by many external and internal factors. As it mentioned, the issue of obtaining a work permit is complex, costly and time-consuming. Most of expatriates working in LLP “KP” come from their partner companies from different countries. However, the company also employs local expatriates and self-initiated expatriates who work also in another companies. The company highlighted the most important factors, which influence success or failure of expatriates: technical factors with 55.5% and cultural factors are 45.5%. The results were different comparing with findings in the literature reviewed, where cultural factors are 58.8% and technical factors are 25.3%. According to literature review (Selmer, 1995; Black & Mendenhall, 1991), these factors are the most crucial. Some authors (Black & Mendenhall, 1991) highlighted importance of cultural factors. The findings also proved that the most important reason for hiring expatriates is filling skill gap (Lomax, 2001). However, the technical skills still stay most significant for selection criteria (Lomax, 2001). The finding did not confirm the ideas of Lomax (2001) who suggested that the spouse and family issues are critical. The needs assessment is provided by the company. The expatriates are offered preparation (pre-departure) programs. The expatriate’s background has significant impact on success. The study displayed that more than half of expatriates had previous foreign experience. This experience can shorten the adaptation period and reduce the effect of cultural shock (Black & Mendenhall, 1991). The company revealed that cannot support families of expatriates. However, Riusala & Suutari (2000) suggested that spouse and family adjustment is important and can significantly contribute to success or failure of expatriate. The accompanying families should be also prepared and supported carefully as the expatriates (Black & Mendenhall & Oddou, 1991). The company aims to shorten the assignment duration of traditional expatriates.

The selection process is harmonized between LLP “KP” and partner companies for the traditional expatriates. The locally hired and self-initiated expatriates have similar selection procedures as local employees. The whole process consists of 11 steps, where steps from 5 to 10 are applied for all categories of expatriates.

Furthermore, the expatriates revealed the reason of choosing this particular company. Traditional expatriates were asked mostly by their home companies to take this assignment. The locally hired expatriates were seeking a career development and self-initiated expatriates stated mostly that they seek the opportunities in this company. This is in harmony with findings provided in the literature (Lomax, 2001). Overall, the expatriates are satisfied with selection process, but do not indicate as the most important comparing with other IHRM practices.

7.2. Preparation

Lomax (2001) highlighted that there is close link between the selection process and preparation. The research shows that the company is aware about this issue. The findings confirmed the statements from literature (Black & Mendenhall, 1991) that family preparation and support have a little concern for the company. The process of preparation is quite complex and it should be flexible in order to satisfy all categories of expatriates. All types of expatriates require some preparation and training (Lomax, 2001). The findings show that all expatriates get different preparation programs. Hence, the expatriates with local contracts are not producing relocation and setup costs. As it was found during the research, the company does not have special preparation programs for locally hired and self initiated expatriates. LLP “KP” provides preparation programs for “traditional” expatriates where other categories of expatriates can also participate. “The cultural shock” took place as expatriates indicated (Black & Mendenhall, 1991). As it was stated in literature (Wilson & Dalton, 1998), “cultural shock” is unavoidable. The company provides expatriates with number of preparation programs. The company revealed that the increasing number of expatriates who are provided with preparation programs brings increase in successful job performance. The preparation also positively contributes to faster adaptation process. According to Thomas & Inkson (2009), the company employs cultural orientation, language trainings and field experience. One of beneficial methods of preparation was orientation visit, which helps to adjust faster than those, who did not experienced it. It was confirmed with the findings of Lomax (2001).

Hence, not all expatriates were offered this method as it concerns mostly “traditional” expatriates. However, it does not make expatriates with local contracts less advantageous because they already live in this environment and familiar with it. The findings show also that some expatriates are interested in cultural adjustment trainings. Basic language training and culture briefings are useful. However, in general, culture briefings and language trainings were considered as highly valued by expatriates.

In general, expatriates are quite satisfied with preparation programs in the company and highlighted that this practice is more important comparing with other IHRM practices.

The results concerning the cross-cultural adjustment were quite positive and have 4.2 points on the Likert-5 scale basis. However, the overall satisfaction with preparation programs in LLP “KP” on average is 3 points out of 5. Some expatriates suggested that the adaptation may take around six months. But, the company only provides preparation from two weeks to one month. For this reason, the company offers continued trainings, which will be discussed later in management support section.

7.3. Management support

Management support is focused mostly on organizational support and the role of expatriates in the company. The company provides financial and non-financial support. As it was mentioned in the literature (Black, 1988, Black & Mendenhall, 1991) the proposal of three methods of adjustment are suitable for the case of LLP “KP”: general, work and cultural, where the comfort is achieved when all these stages are fulfilled.

It was clear from the questionnaire that the company provides adequate support for the expatriates. The respondents indicated that they are quite adapted to the new environment and do not feel extremely isolated in the new culture. The findings show that all expatriates are offered by some support from LLP “KP”. It found that the company does not provide full support for the spouse and family of the expatriates. It can just assist in finding a job for them but do not assist with education issues. There are

seven expatriates accompanied with families and only five of them were provided by job assistance.

Generally, the company provides both financial and non-financial support for its expatriates. Basically, the management support extended from preparation programs and involves continued mentor assistance. However, the company focuses mostly on general support. A total of 86% of expatriates are satisfied with compensation package while 14% of expatriates prefer better compensation package. This unsatisfied respondents are mostly locally hired and self-initiated expatriates, which get partial expatriate package. The mentor assistance program is also having positive impact on expatriate (Lomax, 2001). Overall, the expatriates are satisfied with continued management support. But they indicated this practice is the most important comparing with others.

The expatriates suggested that they need most support around six weeks. This is coincided with U-curve model (Black & Mendenhall, 1991). The preparation programs aim to decrease the time of cultural shock of expatriates. All types of support provided by the company allow expatriates to focus on their responsibilities in work. Co-workers support is a type of social support and it is crucial for the expatriates as they lose social contacts due to distance (Harvey, 1985). However, the expatriates require less desire for social support if their time is occupied by the job (Harvey, 1985).

7.4. Repatriation

The company LLP “KP” does not have clear policies on repatriation process. As it was highlighted in the literature, the expatriation is important as it generates “reverse cultural shock”. So the special methods should be utilized in order to reduce the effect of it (Black, 1988). Many other negative issues can arise if the expatriation program is not well managed. These issues may include insecurity and high uncertainty about the future career development. The findings supported the ideas of Lomax (2001) who suggested that assignments’ duration become shorter.

It is recommended that repatriation process should be supported in the company

in order to provide some assistance and obtain a useful feedback from repatriates. Even if the company is not responsible for repatriation process, it should provide some exit interviews and evaluation (Lomax, 2001). The answers during interview and responses from questionnaires concerning expatriation were quite poor and lacked detailed information. The company expressed mixed views about the importance of expatriation within LLP “KP”. Hence, the managers and some traditional expatriates do underestimate the challenges of repatriation. But most of expatriates are unsatisfied with the assistance concerning repatriation process held in the company. The assistance starts within one month before departure of traditional expatriates. This confirms the finding by Lomax (2001), where most of the companies (46%) address the repatriation under six month before return.

8 CONCLUSION

The findings of this research paper confirmed the importance of international human resource practices such as selection, preparation, continued support and repatriation in contribution to expatriate success. As it was found, the selected company seeks for the expatriates with technical competence and advanced skills and knowledge. This is, particularly, important for the pharmaceutical companies because of the specifics of this industry and growing competitiveness in the Republic of Kazakhstan. Furthermore, selection process should take into account the personal background and characteristics of the candidate and his or her family situation. The literature review and the findings concluded that preparation and continued support are critical for the further adjustment of expatriates to the new environment. As it was explained during the study, there are different categories of expatriates in the company. Traditional expatriates experience the repatriation process after the end of their assignment. As it was revealed, there are significant issues, which should be considered before repatriation. This stage can influence the future career development of the traditional expatriates. Also, HR managers should provide the relevant support during this process as well.

The company also should also consider the costs arising from expatriate programs before applying the practices mentioned above. Hence, it has to take into consideration the advantages and disadvantages of hiring expatriates.

The advantages of hiring a foreign specialist (expatriate):

1. He or she can bring the elements of western corporate culture to the organization. Expatriate knows the proven by time foreign management practice and technology, which can be useful for the company. Foreign specialist is able to optimize business processes and organizational structure of the company in accordance with international standards. In other words, employer buys "ready business system", based on a foreign tradition. This is useful at a certain stage of our development.
- 2 As a rule, many foreign professionals have a valuable knowledge and they have good business background and professional trainings. All these advantages can be correctly

applied in domestic practice. In addition, many expats have an extensive network of business contacts in the managerial environment abroad, that the right approach will allow to introduce the latest global business technology in their organization and may enter the international market.

3. Most of expatriates are good managers who are capable in creating an effective corporate atmosphere during the team works within the company. They are not burdened with unnecessary emotions and they do not have, so-called, "family approach" to the business, which is inherent in many Kazakh collectives. A good boss expatriate is a guarantee that employees clearly understand the goals and strategy of the company, its tasks and responsibilities, so people come to work and not to engage in clarifying the relationship or "waste" the time.

Possible disadvantages of expatriate stay in the company:

1. The language barrier. Unfortunately, many foreigners who came to work in the company do not know the local language. And if English is not a requirement in the company, then sooner or later the expatriate will have problems in communication with Kazakhstani colleagues, not all can be said through an interpreter.

2 "The Clash of mentalities", which often occurs due to cultural peculiarities and differences. Expatriate managers sometimes experience difficulties in understanding the characteristics and specifics of performing work. Likewise, local employees are not always properly responding to some of the activities of foreign specialists. Local HR-consultants are often faced with a situation of unjustified expectations in cooperation in this tandem. So one of the recommendations to foreign managers working in the company is to be flexible in order to prevent all sorts of conflicts between local employees and expatriates.

The research paper used a case study approach with Kazakh pharmaceutical company LLP "KP" as the subject. The data were analyzed using multiple method approach, such as electronic questionnaires for expatriates, focus group interview of HR managers of the selected company and document study.

Electronic questionnaires contained the questions about the international human resources practices and were sent to the expatriates working in the selected

company. Interview data were coded and reconstructed for clear understanding. Hence, qualitative and quantitative approaches of data analyzing were employed in this research paper. The document study was based on existing secondary sources. The research gives insights into the use of international human resource practices and its contribution to expatriate success in the selected company.

This research paper suggests the need for further study to look in detail the success of different categories of expatriates in detail and also give insights into the costs arising from employing expatriates. Generally, it is crucial to understand the complexity of expatriate issues, especially expatriate success.

9 RECOMMENDATIONS

Generally, the results show that the expatriate management in the LLP “KP” Company is not weak in the IHRM practices, however, there are some aspects, which can be improved. The findings indicate that preparation programs and some issues of continued management support should be improved and planned carefully. There is also non-existent repatriation practice, except, some not significant assistance. However, the company supports and contributes to success of expatriates.

This research contributes to the body of knowledge as the case study represents the company in Central Asia. This region of Asian countries has been much less studied comparing with Western World and East Asia. Even though this is not the first study about expatriate management, it still can contribute to knowledge.

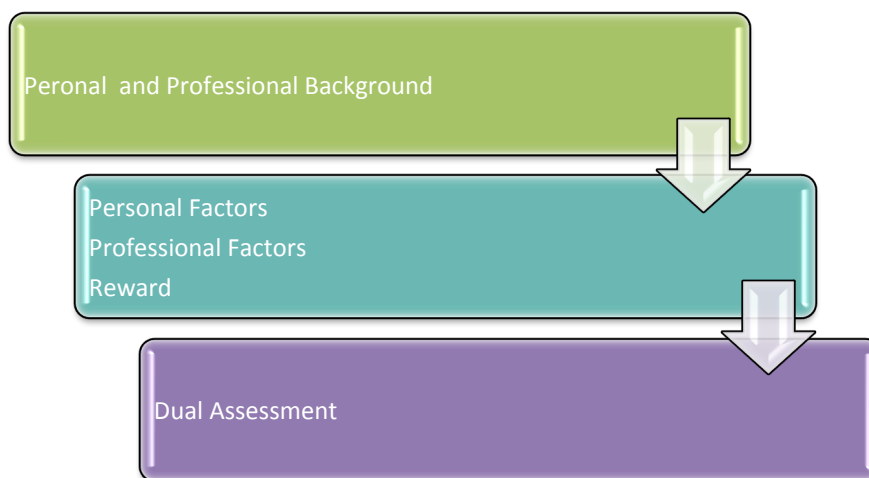
As it was seen from the findings of the research, LLP “KP” Company seems to be closer to what is suggested in the international human resource literature. However, there are some HR policies that the company may employ for the improvement of expatriate management. The company should always bear in mind that expatriates are higher educated group of people than the local employees so the significant attention should be paid to support and communication with them. Greater attention should be paid equally to all categories of expatriates and also for those who brought their families to Kazakhstan. The spouse and family issues require greater integration into expatriate management. It is also recommended to the company to contribute to the repatriation programs by providing exit interviews and dual evaluations by both the company and a repatriate.

The data was collected from currently assigned and working expatriates. The data also represented general finding from all categories of expatriates. However, the each group of expatriates can be explored separately. Hence, there are more suggestions for further research. In this research the expatriates were quite satisfied with the practices, such as selection, preparation and support arrangements in the company. However, repatriation process should be reconsidered by the company. Generally, it is possible to say that company’s dealing with promise and action are developed. However, the research cannot give the full insights in to this issue. There is another suggestion for further research.

Some implications are given for expatriates and managers. For the company it would be seen that there is effective good practice of contribution to the success if the expatriates' needs are viewed as important. There are still plenty of low-cost improvements, which can be applied for managing expatriates. For expatriates, it is important to clarify expectations concerning adaptation.

This research suggests the further questions related to this research paper. How do the companies learn the best practices in Human Resource Management? This question may be explored in more detail in further studies. The considerable work should be done concerning types of expatriates as well as stakeholders viewpoint. The costs and expenses and compensation and expatriate package should be considered. Some implications based on three level adjustment (Black, 1988) should be considered. And the proposed model for successful expatriate management can be constructed. The Figure 31 below indicates the model:

Figure 31 Model of successful expatriate management



Source: findings based on literature and analysis results. Own Compilation.

These three factors are critical for successful expatriate management. The greater they overlapped or linked the greater success the expatriate can achieve. Personal factors include well-being, social network, involvement in culture. Professional factors include: career development, bonuses, training. Reward factors include expatriate package and compensation, other non-financial and financial support. The careful consideration of these factors can help managers to administrate expatriates

and contribute to their success. Preparation and management support facilitate the adaptation process and motivate employees. The model is generated from literature review and findings of the research.

All the preparation programs and trainings should be assessed in order to avoid waste of resources. Expatriates should be selected according to their personal characteristics. The spouse and family should be taken into account even if they do not accompany the expatriate in the new environment.

Preparations should be well organized in order to get most from their utilization.

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11 APPENDIX A

QUESTIONNAIRE SAMPLE

Dear Participant,

Thank you for taking part in the research for my Master thesis. Below are the instructions of the questionnaire.

My name is Gulden Kabduyeva and I am a student of the Czech University of Life Sciences in Prague, Czech Republic (MSc. In Economics and Management). My thesis topic is “The exploration of expatriate management” in the company you are currently working in.

I would really appreciate if you could help me by completing this questionnaire. The questionnaire can be filled in anonymously. All data gathered is used only for the educational purposes.

In order to proceed with the further research it would be very helpful if you could fill in the questionnaire until the 30th of November.

If you have any questions, please contact me at guldenkabduyeva@yahoo.com.

Thank you very much in advance for your help and cooperation.

Best Regards,
Gulden Kabduyeva

QUESTIONNAIRE SAMPLE (Cont.)

SECTION 1 Biographical and Organizational information

1. Please, indicate your nationality _____

2. Please, indicate your expatriate category:

- Traditional expatriate (international assignment in host company)
- Locally hired expatriate
- Self-initiated expatriate

3. What is your function in the company? (Please, specify department)

4. Your gender is

- Male
- Female

5. Your age ranges between:

- 18-24
- 25-34
- 35-44
- 45-54
- 55-63
- 64 and more

6. Your marital status is

- Married
- Single

7. Number of children:

- 0
- 1
- 2
- 3
- 4 and more

8. What is your highest educational background obtained?

- High School
- Specialized Secondary education
- BSc.

QUESTIONNAIRE SAMPLE (Cont.)

- MSc.
 - Ph. D
 - Other
9. Do you have international working experience?
- Yes
 - No

10. What is the length of your stay in Kazakhstan?

- Less than 1 year
- 1 to 3 years
- 3 to 6 years
- 7 to 10 years
- More than 10 years
- Other (please, specify)_____

SECTION 2 (International Human Resource Practices)

11. Why have you chosen this company?

- Asked by home company
- Experience
- Career development
- Opportunities
- Adventure
- Personal
- Other

12. Please indicate your level of satisfaction with selection process of expatriates
(1-poor, 3-faire, 5- excellent)

1 2 3 4 5

QUESTIONNAIRE SAMPLE (Cont.)

13. Were you required to attend any cross-cultural and language training?

- Yes
- No

14. Please indicate which preparation type is satisfying:

- Realistic job previews
- Health screening
- Language training
- Family readiness evaluation
- Cross-cultural preparation
- Other

Please indicate the level of your capabilities in the following statements (1-totally disagree, 3-neutral, 4-totally agree):

15. I have the ability to adjust to the general living conditions

1 2 3 4 5

16. I know legal and economic systems in Kazakhstan

1 2 3 4 5

17. I know the values and religious beliefs of other cultures

1 2 3 4 5

18. I can change my verbal behavior (tone, accent, etc.) when cross-cultural interaction requires it.

1 2 3 4 5

19. I can change my non-verbal behavior when cross-cultural interaction requires it

1 2 3 4 5

20. I am able to adapt to my current work related tasks and responsibilities

(1-totally disagree, 3-neutral, 4-totally agree)

1 2 3 4 5

QUESTIONNAIRE SAMPLE (Cont.)

21. Please assess the level of your cultural shock after arrival
(1-totally disagree, 3-neutral, 4-totally agree)

1 2 3 4 5

22. Did you go alone or with your spouse/partner or family?

- Yes, with spouse
- Yes, with spouse and children
- No

23. Please indicate the level of satisfaction with the practice for preparing expatriates for their job assignments.

(1-poor, 3-fair, 5-excellent)

1 2 3 4 5

24. Please, indicate your type of support, which provided in the company (you can choose more than one option):

- Management support
- Co-workers assistance
- Mentoring
- Financial support and allowances
- Cultural and language training (extended)
- Other

25. Please rank types of company non-financial support from one (most essential) to five (least essential) in your opinion:

- Work adaptation _____
- Interaction and cultural adaptation _____
- General support (well-being, work evaluation, relocation) _____
- Spouse and family support _____
- Other _____

QUESTIONNAIRE SAMPLE (Cont.)

26. Question for traditional expatriates: Do you have any support from home company?

Yes

No

27. Do you satisfied with expatriate compensation package?

Yes

No

28. Was your spouse assisted in finding job?

Yes

No

Other

29. Please indicate the level of satisfaction with the practice of managing and support of expatriates during their job assignment in the company?

(1-poor, 3-fair, 5- excellent)

1

2

3

4

5

30. Once your contract is expired with the company, would you prefer to:

Back to your mother country

Stay

Go to another country

Other

31. Any other input not specifically mentioned in the questionnaire that you would like to add in order to improve current practices?

QUESTIONNAIRE SAMPLE (Cont.)

32. Any comments on selection, preparation, continued management support and repatriation in the company

33. Please, indicate the level of importance of IHRM practices:

Selection

1

2

3

4

5

1	Preparation	2	3	4	5
1	Management Support	2	3	4	5
1	Repatriation	2	3	4	5

(This questions are for expatriates with expiring employment contracts only)

34. After your repatriation, would you come back to Kazakhstan for another assignment?

- Yes
- No
- Yes but to another company

35. What advise would you give to someone else before applying for a job to this company?

36. What in your view can be improved about current expatriate policy in the company?

End Page

Dear Participant,

Thank you very much for completing this electronic questionnaire. If you are interested in the results or have questions or comments concerning this questionnaire, please send an email to guldenkabduyeva@yahoo.com.

Best Regards,

Gulden Kabduyeva

12 APPENDIX B

FOCUS GROUP INTERVIEW QUESTIONS

Thank you very much for participating in this mini focus group interview. This interview has only educational purposes.

Please, could you introduce yourself?

Please, tell us a little bit about your company?

What can you tell us about expatriate practices used in the company?

Please rank five corporate concerns incorporated to expatriates in the company:

1. Location adjustment
2. Finding candidates
3. Relocation resistance
4. Spouse satisfaction
5. Family concerns

Selection

Could you tell, what factors influence selection process of expatriates?

Could you give some insights into selection process in the company?

What are the sources of expatriates? What is the reason for hiring them?

What are the procedures for different categories of expatriates?

Which factors are most influence to success and failure of an expatriate?

Give some information on duration of stay of expatriates?

What are the selection criteria in the company?

How interview of selection is designed? Give more insights.

Preparation

Do you have any preparation programs? What is the duration of such program? What

are the reasons to organize them?

Who does get preparation programs?

FOCUS GROUP INTERVIEW QUESTIONS (Cont.)

What are the programs include?

Please name and indicate the importance of preparation programs?

What do you do to evaluate the outcomes of preparation? What are the outcomes?

Management support

What is the support provided by the company?

What is general support and other types of support include?

What is the competence of a mentor? Give some insights about this issue.

Repatriation

Do you provide any assistance to repatriates?

When it is scheduled?

What do you do after expatriate leave?

Do you have any assessments of repatriation program with cooperation with partner companies?

What are your future plan concerning further expatriate programs?

Do you have any comments, proposals, and additions concerning the issues discussed?

Thank you very much for answering all questions. If you have any questions or you are interested the further research, do not hesitate to contact me by email

guldenkabduyeva@yahoo.com.

Translated from Russian language.

13 APPENDIX C

PERSONAL CHARACTERISTICS OF INTERVIEWEES

Department/ Position	Age/ Gender	Work Period	No of interviewee	Family Status	Nationality
Middle management HR department	29/F	3 years	1	M	Russian
Middle management HR department	31/M	1 years	2	M	Kazakh
Middle management HR department	35/M	3 years	3	M	Kazakh

14 APPENDIX D

PERSONAL CHARACTERISTICS OF QUESTIONNAIRE PARTICIPANTS

Respondent/ Category	Age/Gender	Duration	Department	Home country	Single/Married
1. T	40/M	6 m	(DFEA)	Hungary	M
2. T	34/F	6 m	DC	Hungary	S
3. T	45/F	3 m	(DFEA)	Canada	M
4. T	35/M	1 y	(DBD)	India	M
5. T	31/M	1,5 y	(DPEP)	Hungary	S
6. T	48/M	8 m	(DFEA)	USA	M
7. T	36/M	1 y	(DFEA)	South Korea	S
8. T	34/M	1 y	DC	Russia	S
9. T	38/M	1,5 y	(DPEP)	Russia	M
10. T	32/M	1,5 y	(DBD)	Russia	S
11. T	35/M	1 y	(DBD)	Belorussia	S
12. T	40/F	6m	DC	Germany	M
13. T	46/F	3m	(DFEA)	France	M
14. T	38/M	4m	(DPEP)	South Korea	S
15. T	45/F	4m	(DFEA)	Germany	M
16. LH	27/F	6m		Belorussia	S
17. LH	48/M	16 y	(DPEP)	Belorussia	M
18. LH	45/M	12 y	DC	Kyrgyzstan	M
19. LH	35/F	1 y	(DFEA)	Kyrgyzstan	M
20. LH	35/M	5 y	DC	Russia	S
21. LH	35/F	3 y	(DFEA)	Russia	S
22. LH	38/M	5 y 3m	(DPEP)	Russia	M
23. LH	45/F	8,5 y	(DMES)	Russia	M
24. LH	45/M	3 y	(DPEP)	India	M
25. LH	44/M	2,5 y	(DMES)	Uzbekistan	M
26. LH	37/M	4 y 2m	(DPEP)	India	M
27. SI	27/M	3 y	(AED)	Uzbekistan	M
28. SI	30/F	9 m	(DMES)	Mongolia	S
29. SI	28/M	1 y 2m	(AED)	Uzbekistan	M

PERSONAL CHARACTERISTICS OF QUESTIONNAIRE PARTICIPANTS
(Cont.)

Explanation of Abbreviations:

Department of Certification (DC)

Administrative and Economic Department (AED)

Department of Foreign Economic Activity (DFEA)

Department of Promotion of Exclusive Products (DPEP)

Department of Medical Equipment and Supplies (DMES)

Department of Business Development (DBD)

M (married)

S (single)

T (traditional)

LH (locally hired)

SI (self-initiated)