

Net Expat Newsletter

Quarterly - July, August, September 2003

ABERDEEN - AMSTERDAM - ANTWERPEN - BRUSSELS - CAMBRIDGE - DUBLIN - FRANKFURT - GENEVA - HONG KONG - LONDON - LUXEMBOURG - NICE - PARIS - THE HAGUE - ZURICH

Net Expat helps Corporations and Expat Families achieve successful expatriation through a series of Career & Life Transition programs in more than 41 countries. Two programs have been specially developed to facilitate international mobility of your Expats while four other programs help partners of your expats find work in their future host country



Expert Opinion

Being global is more important than ever

Steve Nord

Global
Compensation and
Benefits Manager,
UPS
Worldwide HQ



Stave, for two years now the world has been confronted with a major economic and political crisis. How have you seen UPS and the other big multinationals handle international mobility issues during this period?

- I think the first reaction was a responsible one: given the new risks facing our expatriates, we reevaluated our Health & Security measures. We delayed any major expat moves until we had had time to reconsider how to ensure the safety of our expatriates and their families. I think this was the attitude of most multinationals. New procedures were established to cover Health & Security aspects as such, to educate our expats to the geopolitical risks and, finally, to provide them with the cultural sensitivities essential in an environment of international tension. All of this is now part of

the basic briefing we give our expats. This 'high alert' situation has also prompted us to send more people, wherever possible, on short-term assignments in order to minimize the risks.

Adaptability and diplomacy are increasingly important when evaluating the potential of our expats

In a longer-term perspective, thanks to these crises, we now realize how much the adaptability of our expats, as well as their sense of diplomacy, are essential to the success of their mission. These qualities are increasingly important when evaluating the potential of our expats.

How are your expatriates reacting to all this?

- Health & Safety are very popular subjects that come up constantly in their questions. I think the answer lies in giving them the

information they need. At a time of real crisis, whether it's a political situation or linked to a health issue like SARS, there is a premium on analysis and information. There is so much difference between perceptions on the one hand, and the on-the-ground reality on the other, that it is easy to lose one's sense of proportion. It is essential that we inform our expats fully and that they get a feeling for the relatively modest risks they actually run.

I can assure you that our expats are still keen to work abroad: there has been no question of having to develop any supplementary incentive systems.

How does UPS react to a risk like SARS?

- Here again, our principle is to inform our expats



Editorial

Vicious circles

Alain Verstandig

Managing
Director,
Net Expat



It's in difficult times that we learn to distinguish clearly between the vicious circles and the virtuous ones.

In a bid two years ago to drastically cut the cost of the expatriates it was so dependent on, a company pushed the

commuting solution to the extreme: every new expat was invited to go off on his or her own, leaving partner and children behind. This eliminated the entire relocation costs of the family and also seemed to solve the problem of dual careers, since expat partners stayed in their home countries.

What might have been expected to happen did indeed happen: alone in the host country during the week, the expats quickly

tired of leaving their irritated partners and disconsolate children behind them after each weekend.

Disgruntled expats are now coming back to their home countries one by one, and the couples are trying to rebuild their relationships. Needless to say, new company candidates for expatriation are increasingly thin on the ground.

The only bit of good news is that the company's expatriation costs have plummeted... ■

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and their families as fully as possible in order to allow them to make the decision of whether to stay or repatriate. We give them the information they need and then leave the decision to them...

How do you see today the future of international mobility?

- For a multinational, being global is more important than it ever was! Expat experience is essential to the growth of any

multinational organization. Developing global managers is an absolute priority for UPS. So I think mobility will increase. In particular, the number of women expats is likely to grow relatively fast. We are also going to have to show greater imagination when dealing with international mobility. There are already a variety of types of assignment that we are going to have to develop: local employee status, long-term assignments, virtual

assignments.

Having said that, technology can solve a lot of things but 'local feel' will still be irreplaceable, so our expats will continue to go abroad.

Our economies are really becoming global, with regions that integrate more and more. It is the human factor that will be the key, and HR departments have the mission of developing the talents necessary to support this new global 'architecture'. ■

Hong Kong

Yee Ming Tan

Program Director,
Net Expat
Hong Kong



From its sudden appearance in Hong Kong around the end of February 2003, with all the indications of a potential global epidemic, SARS sparked fear, uncertainty, and at times panic from Taipei to Toronto, Singapore to Switzerland. Events such as the SARS outbreak challenge what we take for granted in terms of order and rationality. No matter the statistical arguments about what the true morbidity of the disease is, the point is that it challenged people's fundamental beliefs about their life and sense of security in Hong Kong.

Testimonial

Vanessa Smith

Expat Spouse
from Unilever



Back in late 2002, my husband landed his dream job, based in Brussels. At first we thought 'no big deal' he could just commute Monday to Friday. But having visited Brussels, and then revisited what was important to us, we realised that would just be a crazy idea.

However, as the other half of a 'career couple', I wasn't exactly ecstatic at having to leave a really interesting marketing job in the UK...so my initial conversation with Net Expat was invaluable. Net Expat was able to both reassure me, and structure my expectations, and then did a great job at 'backing off' and leaving me to get my head adjusted to the move.

Best practice

The repatriation challenge

Jean Pautrot

President of the
Repatriation
Workshop at
Magellan,
Head of Group
Mobility
Services at EDF



How do you approach the repatriation problem?

- As early as possible: a successful repatriation is something you prepare for before you even leave! An ideal expatriation

should be anything but an escape route. Too many expats

think that, by changing country, they will solve their career or personal relationship problems. Then, when you've made the move, you should keep your links with the country you come from: maintain contact with your friends, so that you know how your home country is changing, and keep in touch with your old work colleagues so that you know what's happening in the company.

Repatriation implies a loss of power and a loss of income

What does one do if a company can't plan expatriations and repatriations well in advance?

- It's true that planning things is not always that easy, but what really matters is the mental attitude of welcoming the returning expat.

Doesn't this imply also lots of proactivity from the expat him/herself?

- Absolutely: the repatriate needs to know how to 'sell' him/herself. He/she needs to show a form of humility:

repatriation implies a loss of power and a loss of income. And the most difficult thing of all is that the expat will quickly feel a stranger in his/her own country.

How can companies facilitate this process?

- HR department need to know how to listen to their expats. They have to know how to give priority to the reintegration of returning expats in order not to lose their talents.

Expats and their partners have to be genuinely inter-reliant

Do you see companies around you who have successfully managed the

reintegration of their expats?

- I would say that Magellan (www.magellan-network.com) has, as an HRD group, developed a sense of awareness and combines this with examples of good practice. A number of companies have shown their skills since 1999: Siemens, for example, use coaching for their returning expats, and this works well. EDF also use mentoring to facilitate the process.

And the expat partners in all this?

- Sure enough, the expat's partner is fully involved in this issue: the partner is the main cause of failure when an integration or reintegration in the home country goes wrong. In fact the partner lives through the same experiences of expatriation as the expat: he/she also needs a plan. In the case of partners who left a job at the time of expatriation, the shock of repatriation can be enormous

if there is no job quickly available. Expats and their partners have to be genuinely inter-reliant to be successful: hence the importance of a satisfactory integration and reintegration for both of them. ■



Newsletter

SARS Unmasked

Many expats responded to the SARS situation by leaving Hong Kong or sending their families

away from Hong Kong. Some are back already, sending their children back to schools that have enhanced hygiene arrangements and precautions.

Hong Kong's handling of the outbreak; its transparency in dealings with the WHO and US CDC; its demonstration (after a somewhat slow start) that it was prepared to take strong action in containing the spread of the virus surely helped remind global business of the advantages Hong Kong still offers as a regional business headquarters.



SARS challenged people's fundamental beliefs about their life and sense of security

Today, a few short months after "patient zero", Hong Kong is celebrating – albeit cautiously – the passing of the worst of the disease. At the time of writing the World Health Organisation has lifted a two-month travel advisory against Hong Kong, and some semblance of normality is returning to our streets and lives.

There will without question be other such events, not only in Hong Kong but everywhere

else in the world as well. What is important therefore is to be as well-equipped as possible as individuals and organisations to minimise the risk of them happening, and maximise the resilience of a population to their occurrence. That is Hong Kong's real challenge – and history shows our talent at overcoming adversity. Hong Kong was always, and remains, an exciting, vibrant, sophisticated global business centre. SARS brought us a wake-up call that nothing can be taken fully for granted – here or anywhere else. ■

Smooth and right!

The toughest time for me was the first week here...with Roger off to work each day, and me wondering where to start... This is where Net Expat came into their own, from my coach's friendly voice at the other end of the phone, to the 'comfort' of regular

weekly meetings, to the contacts and tips on how to identify the next great opportunity.

However, it was more than just job search support, the career counselling really made me think about what I truly wanted to do next. Completing the ExpAdviser® provided me with new insights about myself.

I wasn't exactly ecstatic at having to leave my job in the UK ...

Almost too quickly, a headhunter, targeted by Net Expat, called. The position was a good match with the spec my coach and myself had developed, and two sessions of interviews later I

had an offer!

Again, at this stage Net Expat were wonderful – in helping me to reach

my decision, and perhaps more importantly at that stage, helping me understand the Belgian tax situation!

Now, three months into my new job, if I was to provide a few words of wisdom?

● **Don't rush it.** Moving is stressful. Take some time to think about what you really want to do next before you jump in.

● **Get the full service from Net Expat** – it is not often in your career that you get the opportunity for some truly impartial career counselling. Use their tools and insights to both find a job, and also to understand what it is you really want to do next.

● **Keep a sense of humour** – if you are anything like me, stress is the best way of losing it! Net Expat helped keep me smiling by providing a process, an excellent sounding board and the best contacts, to ensure



Some Clients

3M

Advanced Elastomer Systems

AMIS

Alstom Power

BBL International

BD Biosciences Europe

Borealis

Brady

Bristol-Myers Squibb

Bull

Cadbury Schweppes

Colgate Palmolive

Cordis

Corus Group plc

Delhaize Group

DuPont de Nemours

Electrabel

Euroclear Bank

ExxonMobil

Gemplus

GlaxoSmithKline Biologicals

Guidant Europe

Honeywell

ING

International Paper

Janssen Pharmaceutica

Kraft Foods

MasterCard

Merck Sharp & Dohme

Nestlé

Newell Rubbermaid

Nur

PerkinElmer

Pfizer

Procter & Gamble

Reckitt Benckiser

Saint Gobain Glass France

Sogem

Solvay

Sonaca

Sony

Tele Atlas

Tessenderlo

Total

Tractebel

Tyco-electronics
Raychem

UCB

Umicore

Unilever

Unisys

UPS

Whirlpool

...

that this step has both been a smooth one and the right one. ■

Net Expat Newsletter

Achievements

Adapting rules to facilitate mobility

Paul Schonenberg
Chairman & CEO,
AmCham in
Luxembourg



Robert Massol
Director
Net Expat
Luxembourg



Paul Schonenberg is the driving force behind AmCham's explosive growth over the last 5 years. He spent over 30 years in a variety of challenging international positions worldwide before coming to Luxembourg 13 years ago. The director of Net Expat Luxembourg, Robert Massol, talked to Paul about the role of a Chamber of Commerce addressing Expatriate issues.

What role can a Chamber of Commerce play to help companies and their employees settle into an

Expatriate location?

- The most important thing would be to collectively represent the need of companies and Expatriates to the governing authorities in an effort to change rules that are troublesome and promote an Expatriate friendly environment.

Do you have any examples of this in Luxembourg?

- I personally have two favorite successes: when it became obvious that difficulties getting

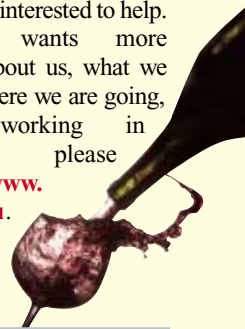
spousal work permits was causing the working spouse family problems and leading the family to an earlier than preferred return to the United States, we lobbied with the government and arranged special procedures that fast track the work permit approvals for spouses. The result has been an easier process for spouses who want to work to get the approvals and, as a result, happier families who stay longer.

When the high cost of Expatriate education was keeping companies from offering the expatriate salary packages they needed, we asked the Government for a subsidy of the private tuition costs. We have been able to convince the Government in only a little over

one year to pass a bill giving a 40% subsidy to the private schools attended by our expatriate population.

What other things do you do?

- We provide useful information in English. We have published a comprehensive Working in Luxembourg book. We also host informative seminars and networking lunches, dinners and cocktail parties monthly. There is so much work to be done making the world Expatriate friendly that there is a role for anyone who is interested to help. If anyone wants more information about us, what we have done, where we are going, and or working in Luxembourg, please contact us at www.AMCHAM.lu.



... easier process for spouses who want to work

USA

A Country of Extremes

Anne Dean
Director,
Living Abroad,
LLC



Because there are so many aspects of American life that are both universal and unique, the United States can be an easy place to fit in and yet a tough place to know. Although America prides itself on its diversity, the number of commonalities amongst Americans may amaze newcomers. It is how these very different people come together that speaks more for America's success in diversity than the mere fact that they live in the same country. People of

all different backgrounds work and attend school together, and, for the most part, speak the same language – though with unique regional dialects.

Americans are famous for being friendly and easygoing, but it does not mean that making friends here is easy – it is often quite difficult. This relaxed attitude may be misleading, especially since Americans are pressed to succeed in both their career and family lives. Both work and leisure activities may be equally demanding.

The official language in the

United States is English, and most Americans only speak English. Due to the increasing hispanic population, Spanish has become an unofficial second language in the United States. In fact, all official announcements in the Miami International Airport are in English & Spanish! Most

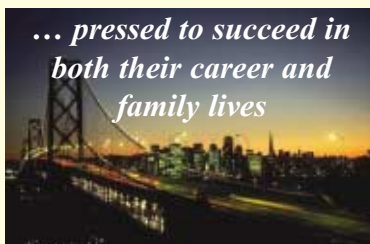
public schools do not have extensive bilingual education programs to assist foreigners.

If relocating with children, the United States has good child care options, but they are costly, and keep in mind that an assignee's native tongue will

probably not be spoken. If one is active in a church, mosque or synagogue in one's home country, this is an excellent way to meet new people in the United States, which has relatively high religious participation.

The United States is a nation of extremes. Such differences and complex cultural issues can have an enormous impact on a family. However, if that family realistically appraises the differences in American life, and accepts them as part of daily existence, plus, bringing along a sense of humor, an open mind, patience and a determination to know, understand and communicate with the American people, they should have a very enjoyable stay! ■

... pressed to succeed in both their career and family lives



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