

Net Expat® Newsletter

Autumn 2008

Issue 34

Expat Coaching | Dual Career Solutions | Expat Assessment

Offices throughout America, Europe and Asia-Pacific



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Tata and Corus: the best of two giants!

Corporate vision



Sridam Kundu

Sridam Kundu, Head Compensation Management, Tata Steel Group, Jamshedpur, India.

Nico de Wit

Manager Expatriate Advisory Service, Corus Group, subsidiary of Tata Steel, Ijmuiden, The Netherlands.



Alain Verstandig: *On April 2007, Corus became a subsidiary of Tata Steel, which is today the world's 6th largest steel company. What did the international HR department focus on after this take-over?*

Nico de Wit: Our main objective is to end up with a new organization with the best practices of Tata and Corus.

Despite our hyper-connected world, cultural differences will always be there and this is why we absolutely need to prepare our people to cope with them.

Prior to the takeover, Tata had multiple expatriation policies in place, while Corus had one single policy. We have started to share ideas with the aim of

generating a single new expat policy which blends the best practices of the multiple previous policies. We are currently in the midst of this integration, having agreed general principles.

Tata and Corus mobility come from different backgrounds: Corus has been moving expats mostly around the West, using a balance sheet approach and rarely any hardship allowance. This approach is perfect for EU and the USA, but transfers from India to EU and USA do not work on this basis. Our goal for our future group policy is to move towards a build-up approach with some hybrid aspects.

On the data side, we also need to merge our cost of living data and make some choices. Tata is using Mercer and Corus is using ECA. ■■■

A question of choice!

Editorial



Alain Verstandig
Managing Director,
NET EXPAT

Motivation is key to successful expatriation, enthusing expats during the preparation phase, feeding commitment during the assignment and contributing to a fruitful repatriation. For expats to be motivated, they need to feel they "have the choice", they have "control of their life".

Do the expats in your company have this sense of choice?

This feeling you have a choice is largely a question of perception: it is linked to the overall atmosphere within a company, the way expatriation is proposed to potential expats, the amount of information they receive, whether they feel they have a genuine alternative. International corporations that pay close attention to the way they handle expatriations have enjoyed tangible success. Information is key: opening people up to working in multicultural environments and preparing them for international mobility broadens their horizons and helps fuel motivation.

OK, I hear you saying, you don't want to raise expectations too high amongst your employees, not knowing who will move abroad when. I hear you saying that all international opportunities are driven by business needs and therefore cannot be managed this way. I hear you. But the point is that today's employers of choice are finding the right balance between information and managing expectations. It's a question a choice! ■



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Sridam Kundu: We recognize that both Tata Steel and Corus have some of the best HR practices and each has the scope of learning from the other in many ways. We're looking for all possible synergies within the new organization and learning from each other in a very open manner. In order to strengthen the raw material security for the merged entity, our current challenge is to send some of the key mining engineers and geologists from Tata Steel to explore many remote

geologists to move over there opens up opportunities with promises of a very creative job. On the other hand, a group of engineers have recently moved from India to Corus in UK and Netherlands for transfer of competence. Some movements are also taking place to facilitate integration of the two entities.

Nico: We were mainly moving Corus people for the "transfer of competence". Now that opportunities are growing for all Tata group employees, our potential

need to prepare our people to cope with them.

Sridam: Expatriation is challenging, so proper corporate support is essential to take care of the specific needs of the expat. In India, the Company continues providing medical and housing benefits to their dependent families, which usually includes parents who are left behind in the home country. Cross-cultural training is important. The dual career is also an issue with Indian couples.

may run the risk of losing the talent.

Nico: Like a number of other multinationals, we could probably do better in this respect and are striving for improvements.

So far, we have only a few examples of repatriation and it appears to be more challenging than the expatriation issue

AV: *What is the cost of being an employer of choice today?*

Sridam: The cost of not being an employer of choice would be too heavy in the days to come! Today things can be easily copied, but talent cannot be easily replaced. The Vision for Tata Steel Group, which has been developed recently, has been detailed into specific goals to be achieved to remain Employer of Choice in the top quartile of all the industries.

These actions are:

1. Embed performance culture,
2. Build leadership capability,
3. Nurturing talent,
4. Global talent sourcing,
5. and build technical capability.



locations across the globe. The Corus side of the group has rich experience in international mobility and we hope to benefit from that experience.

expats will have more reasons and opportunities to develop themselves internationally. To start with, we may experience more permanent transfers from India to Europe and vice versa...

AV: *What about the repatriation issue?*

We are an employer of choice even though the steel industry has not always been a "sexy" industry.

The HR focus for the group is being further aligned to these objectives.

AV: *What are your current challenges and focuses in supporting your expats?*

Nico: An important challenge is keeping families happy! We have a lot of dual career couples: supporting the expat spouses through the services of NET EXPAT helps a lot. Cross-cultural training is also crucial: despite our hyper-connected world, cultural differences will always be there and this is why we absolutely

Sridam: So far, we have only a few examples of repatriation and it appears to be more challenging than the expatriation issue. We recognize that the individual, on return, needs to be provided with career options which utilize the value addition that is usually associated with working on overseas assignments. If this is not done, then the organization

Nico: Corus too is working to be an appealing potential employer. In 5 years' time, 25% of our Dutch employees will be retired! So we need to feed the pipe. Thanks to our HR branding and to the introduction of high technology within Corus, we are an employer of choice even though the steel industry has not always been a "sexy" industry.

The Tata and Corus combination blends two very different cultures and I'm confident that the end result will be an even stronger, more productive, multinational company. ■

Today things can be easily copied, but talent cannot be easily replaced

AV: *Do Tata expats and the Corus expats move abroad for the same reasons?*

Sridam: Motivation to move abroad is the conjunction of benefits for the company and the individual. It can happen in many ways. For example, Tata people moving to the Ivory Coast are driven by a "discovery" spirit: for



The added value of Expat Coaching

Testimonial



Françoise Caraguel
Manager Training and Development,
NYSE-Euronext, New York, USA.

Brian Szepekouski

NET EXPAT senior consultant,
New York, USA.
Interviewed by Pam Meisel, NET EXPAT.



Pam Meisel: Françoise, you have recently moved from Paris to New York as a senior manager and you have benefited from a NET EXPAT SMCD program (a personal counseling program designed to help you efficiently land in your new position). What expectations did you have about this program?

Françoise Caraguel: I expected to get a sense of the dos and don'ts in the US and I certainly did! I recognize that in different cultures there are different social skills required and different business etiquette. Working with Brian, my NET EXPAT personal expert, helped me to understand the differences between French and American culture in this regard. In particular, learning how to "politely" disagree and assert a different opinion in a different culture is a challenge. Brian gave me great feedback about this and showed me how to assert myself in a way which would be effective in an American business environment.

Brian Szepekouski: It is very important to understand the right time, place and approach to raising issues. The diplomacy required in France and the US is different and I think we were able to help Françoise appreciate this. Packaging your positions correctly for the cultural context is essential.

PM: Has it been difficult building relationships with Americans and

has your SMCD program helped demystify the American business culture?

My SMCD program helped me to find my own leadership style adapted for the US rather than simply mimicking the US way.

FC: If you know and understand the rules it is certainly less challenging and Brian helped a lot with this. Americans have a different work style from the French. For instance, the work schedule is different here and people try to keep to tight



schedules. This has a direct impact on something essential: the way you network. You need to be proactive and jump through small windows of opportunity to network, get new work projects, become closer to colleagues etc...

BS: It is a challenge for many

cultures to learn how to be proactive. If you hear about an interesting new project over a glass of water at the water cooler, you need to seize that moment and ask to get involved. That is your "window". As I like to say, "better to beg for forgiveness than ask for permission!"

BS: Françoise and I have spent time trying to understand when you really must conform and when it is acceptable, and positive, to try to bring about change. This can be challenging to grasp in your own culture, no less in a different one! Approaching change from a positive point of view is one of the



PM: What work challenges await a new expat like you in the US?

FC: I feel that the boundaries in the HR field are different here, but people welcome positive change. For instance, I often meet with employees in their office rather than having them come to my office. This was a change for them but was warmly received, ultimately helping me to be a more effective manager. Brian has helped me throughout my transition into my new leadership role understand how to approach challenges in a positive way. Brian

keys to success as an expat and I think has helped Françoise in her new American business environment.

PM: What have you learned about your management style through this period of transition?

I feel that NYSE-Euronext has invested in me and I'm grateful for that.

FC: One thing I have learned is that in general, in the US, if someone succeeds you hear about it for a long time -- it is OK to "celebrate success". In France we tend to do this in a more subtle way, letting others discover your successes. Here I need to do my own PR and capitalize on my successes. I feel that NYSE-Euronext has invested in me with my 12-hour NET EXPAT SMCD program, and I'm grateful for that. I had a very open and trusting relationship with Brian. Throughout my transition, he was able to help me avoid traps and allowed me to "rethink" my business behavior and strategies. The 12 hours with Brian was extremely well spent and I would say made my assignment in NY more successful than it otherwise would have been. ■

Some Clients

3M
ACNielsen
Airbus
Alstom
AMIS
Apple
Audi
AVIVA
AXA
BD Biosciences Europe
BNP Paribas
Borealis
BP
Bristol-Myers Squibb
Bull
Cadbury Schweppes
Cap Gemini
Cargill
Caterpillar
Colgate Palmolive
Cordis
Corus Group plc
Crédit Suisse
Danisco
Deloitte Touche Tohmatsu
Dexia
Diageo
DuPont
Euroclear Bank
ExxonMobil
General Motors
Givaudan
GlaxoSmithKline
Goodyear
Guidant Europe
Honeywell
ING
INSEAD
International Paper
Janssen Pharmaceutica
Johnson & Johnson
Jungheinrich
Kraft Foods
L'Oréal
Leroy Merlin
MasterCard
MBDA France
Merck Sharp & Dohme
Methanex
Munich Re
Nestlé
Newell Rubbermaid
Nissan Europe
NYSE-Euronext
PerkinElmer
Pfizer
Procter & Gamble
PSA Peugeot Citroen
Puratos
PricewaterhouseCoopers
Quest International
Reckitt Benckiser
Roche
Saint Gobain Glass France
Schlumberger
Sogem
Solvay
Sony
Standard Life
Suez
SWIFT
Tchibo
Tele Atlas
Tessenderlo
Thermo King
Total
Tractebel
Tyco-electronics
UCB
Umicore
Unilever
Unisys
UPS
Vallourec
Volkswagen
Whirlpool...

Family Survey: the Dual Career issue is increasing

Survey



Jan Hatfield-Goldman

VP Research and Education,
Worldwide ERC, Arlington, USA.

In 2005, dual earners comprised 57 percent of US married couples, up from 44 percent in 1967 (U.S. Bureau of Labor Statistics). In addition to their increasing numbers in the labor force, women also are holding more professional positions than in the past and they are contributing significantly to household income. In 2005, working wives' contributions to total family income accounted for 35 percent of their families' incomes, up by 8 percentage points from 1970.

With the increase in dual-career couples, there is a strong likelihood that a spouse's career is going to be affected in a relocation. Relocating spouses most likely will want to continue pursuing their career at the new location. Here is how organizations are assisting spouses with the transition.

Dual earners comprised 57 percent of US married couples

Prevalence of Spouse-employment Assistance

The provision of spouse-employment assistance via formal policy has been increasing steadily since the early '90s. Currently, 40 percent of companies have formal spouse-employment assistance programs. An additional 6 percent are considering offering this assistance within the next year. 81 percent of employers with formal policies offer assistance to the spouses of all transferees. A few require the spouse to be employed at the time of the relocation. In 2007, about three-fourths (73 percent) of companies offering spouse employment

assistance to current employees gave identical assistance to new hires. Though 45 percent of the companies that offer spouse employment assistance (formal or case-by-case) have been providing it for 10 years or more, nearly one-third have only been offering it for five years or less.

The most prevalent type of formal assistance is paying the fees of outside job counseling / placement agencies. This provision has held top ranking since 1997.

Types of Spouse Employment Assistance

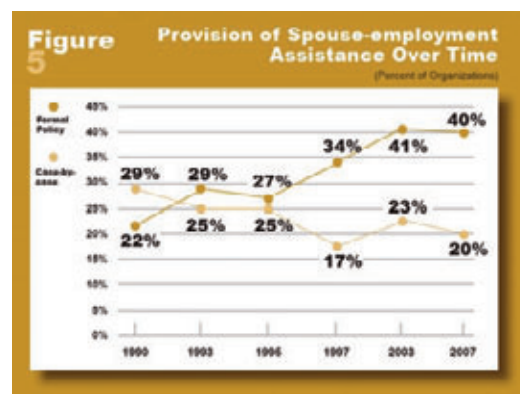
The most prevalent type (28%) of formal assistance is paying the fees of outside job counseling / placement agencies. This provision has held top ranking since 1997. Fewer than 20 percent of the respondents provide this form of assistance on a case-by-case basis. Differences between provisions offered via a formal policy and on a case-by-case basis are most apparent in the percentage of organizations who try to place a

spouse within the company. This is the most frequently offered provision done on a case-by-case basis (29 percent) but is the least prevalent type of formal assistance (3 percent of respondents).

Conclusion

In a dual-earner situation, the spouse's contribution to family income can be significant so obtaining appropriate work at the new location is critical. If spouses are able to find comparable work at the new location, the greater the chances of a successful relocation. In a tight labor market, companies are well aware of the challenges in recruiting and retaining talent. Providing some form of employment assistance can help to increase employee satisfaction and retention rates as well as help to alleviate some of the stress of relocation for the transferees and families. ■

For the full version of this survey, please contact Jan Hatfield-Goldman +1 703 842 3415 or jhatfield-goldman@erc.org.



Worldwide ERC® 2008 Family Issues Survey



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We help you expat your talents

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

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