

Net Expat® Newsletter

Spring 2011

Expats Coaching | Dual Career Solutions | Expats Assessment

Issue 39

Offices throughout America, Europe and Asia-Pacific

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Contents

Learn more about NET EXPAT
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- p 1:** Who should pay for your international mobility?
Alain Verstandig,
President, Net Expat Group
- p 1:** A corporation not afraid to move forward!
Renato Rovina, Compensation and Global Mobility General Manager, Vale,
Rio de Janeiro, Brazil
- p 2:** Immigration: new provisions directed toward employer compliance
Ethan E. Kaufman - Fragomen, Del Rey, Bernsen & Loewy, LLP - New York
- p 3:** Expatriation seen by German industries
Thomas Buck, Managing Director of HR Informations-systeme, interviewed by Dr. Winfried Guba,
Director NET EXPAT Germany
- p 4:** Better than expected
Ruth MacNeill, expat partner from Mars, interviewed by Sam Pinney, Global Operations Coordinator, NET EXPAT Worldwide HQ

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A corporation not afraid to move forward!

Corporate Vision



Renato Rovina,
Compensation and Global Mobility General
Manager, Vale, Rio de Janeiro, Brazil

Alain Verstandig: Renato, can you tell us more about Vale and the importance of international mobility in its HR strategy?

Moving people internationally is one of the great ways for Vale to source and deploy talent around the globe

Renato Rovina: Vale is the second largest metals and mining company in the world, one of the 30 largest publicly-traded companies in the world and the largest private company of Brazil in market capitalization. We employ around 60,000 people, 500 of which are currently on international assignments, out of which 50% are abroad for 2 to 3 year assignments. We send our assignees to over 30 countries, from New Caledonia to Oman, to Mozambique... The vision of Vale through this geographical expansion is to become the largest and best mining company in the world. Global mobility is a key component of talent management and what we call our CSP Process (Career Succession Programs): moving people internationally is one of the great ways for Vale to source and deploy talent around the globe. At Vale, global mobility is deeply integrated into the career development process:

all employees are encouraged to highlight their interest to move abroad, and mobility is promoted through internal Resume/CV posting for open positions abroad. Employee potential is discussed in Talent Committee, Vale's internal worldwide HR network, which is actively involved in boosting Global Mobility. These Talent Committees ensure there is a fluid exchange of talents across all parts of Vale.

... consistency in terms of preparing, training and supporting our assignees, regardless of whether they are sent to a major capital city or to a remote location

AV: This looks like a pretty ideal HR setting for global mobility: how did you get there so quickly?

RR: You're right Alain, we've achieved this quickly: we started our largest expansion process as of 2006. At the time, Vale was mostly an exporting company.

After acquiring leading international organizations such as Inco in Canada and AMCI in Australia, we started becoming a true multinational. Everything that we do is inspired by our vision of global international leadership. ■■■

Who should pay for your international mobility?

Editorial



Alain Verstandig
President,
NET EXPAT Group

The last economic crisis has deeply reshaped international mobility in every single organization: for some, it meant the creation of regional mobility centers, for others, outsourcing or co-sourcing. Moreover, the way international mobility costs are allocated across organizations has been substantially modified: today's general trend favors charging most mobility costs to the host organizations, but unfortunately, the pendulum has swung too far. As host-country business managers are closely watching their financial bottom line, their reasoning is the following: why would they pay for an intercultural training needed by a transferee who will in any case disappear from their team in two years? Why would they invest in a leadership coaching recommended for a foreign Team Leader or even offer spousal assistance to someone who will spend only a few years of his/her career in the local organization? Everybody recognizes that talent management of internationally mobile people requires specific tools and techniques, but does your organization know how to share these investments? Are your home / host subsidiaries and your corporate level trapped in a near-sighted egocentrism, or do you all share the same common interest in growing your globally mobile work force? ■



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■■■ We have been able to build everything to really fit our new reality as a global company. Since the beginning, we have tried our best to implement best practices. Besides this, we are a very active HR organization, working side by side with the business and operations and if mistakes are found, we're very quick to correct them! We have very little attachment to legacy policies so that makes us very flexible implementing best practices and adjusting courses of action if that change is needed to reflect on better business results and support to our employees.

AV: *What are the biggest challenges you face today?*

RR: The pressure to globalize is

something we feel a lot in HR: we want our mobility policy to be sustainable for the long term. This means maintaining consistency between all assignments: consistency in terms of preparing, training and supporting our assignees, regardless of whether they are sent to a major capital city or to a remote location. The challenge is to balance this "consistency" with a much-needed "flexibility".

Our second challenge is linked to the host destinations we're sending our assignees to: due to our industry, our mining reserves are often located in very remote locations, which is definitely an added challenge for our assignees and their families, adding complexity to our job. Which leads

me to my third point of focus: assignees' families! The family is key in managing mobility: if the spouse or the kids are not happy and integrated, you're guaranteed to have a failed assignment. Families are a crucial pillar of expatriation because families are central in many of our countries, but especially in our Brazilian culture and by

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extension, in Vale's culture. The spouses of our assignees are, in my view, as important if not more important than our assignees:

being a working or non-working spouse, our assignee spouses have a lot to deal with during expatriation as our assignees work long hours. Vale has started to offer a series of targeted support like NET EXPAT services which goes beyond the basic reimbursement of small expenses: job search assistance, further language education, social integration coaching for non-working spouses. This, in addition to the intercultural trainings we have started to offer to both our assignees and their spouses.

We know we are at the starting point of spousal assistance and we know we can do better: but like with everything else, we're not afraid to move forward! ■

Immigration: new provisions directed toward employer compliance

Expert opinion



Ethan E. Kaufman

Fragomen, Del Rey, Bernsen & Loewy, LLP - New York

The global recession has caused governments around the world to limit business immigration and increase immigration-related enforcement efforts. While each country has adopted unique practices, the common concerns are protecting the domestic labor market, improving security, and ensuring strict immigration compliance by employers. In a number of jurisdictions, restrictive government interpretations are aimed at multinational corporations, highly-skilled individuals who are recruited by local employers, and even individual entrepreneurs seeking to establish new business ventures. This shift in focus is a global phenomenon, but is exemplified by changes in the United States, Canada, the United Kingdom and India. In the United States, members of Congress have publically pressed US Citizenship

and Immigration Services ("USCIS") to enforce strict interpretations of H-1B and L-1 visa requirements. Multinationals have been frustrated by burdensome challenges to L-1B Intracompany Transferee petitions. USCIS and certain consular posts have issued inconsistent rulings based on a draconian interpretation of the nebulous "specialized knowledge" requirement for that category. Meanwhile, USCIS has issued policy guidance (the "Neufield Memo") seeking to limit H-1B visa issuance to any employee who works off-site absent strong documentation of direct control by the sponsor. Emblematic of the new focus, on December 23, 2010 USCIS implemented revisions to the I-129 petition, the primary form utilized for H-1B and L-1 petitions. Now employers are obligated to certify under penalty of perjury their compliance with export control laws

limiting the release of certain technologies to foreign nationals. The new I-129 requests information to verify which employers are subject to a New Border Security fee. These unfortunate employers must pay a substantial cost increase for the privilege of sponsoring foreign nationals. The new fees will



be used to pay for security initiatives along the border with Mexico. Much like the US, Canada has implemented new provisions directed toward employer compliance. Since April 1, 2011,

significant changes have been made to the Temporary Foreign Workers Program ("TFWP"). Employers seeking to hire foreign workers will be assessed against their past compliance with TFWP requirements over the preceding two years. Those employers found not to have been in compliance with TFWP requirements regarding wages, working conditions and occupation, by reference to any foreign national employee's original terms of employment during that period, will be subject to a two-year probationary period during which the employer will not be able to hire foreign workers. Citizenship and Immigration Canada will also maintain a public list of noncompliant employers on its website. The United Kingdom's most recent focus has been on protecting the local workforce. Since April 6, 2011 the UK Border Agency imposed a



Expatriation seen by German industries

Survey



Thomas Buck,

Managing Director of HR Informations-systeme, interviewed by Dr. Winfried Guba, Director NET EXPAT Germany



The HR-RoundTable is a popular German platform for HR managers who discuss HR-related topics across various German cities. Thomas Buck, founder of this

Only successful assignments – and hence also successful repatriations – will encourage other employees to be open to their own expatriation

platform and Managing Director of HR Informations-systeme has reviewed the way international mobility is perceived by German employers during its 100th HR-RoundTable in Hamburg. The survey gathering around 50 HR Managers revealed the following:

- Although everything seems to be quicker and easier today this is not yet the case with expatriation;
- In the past, expats were usually men with non-working partners. Today an increasing number of

permanent cap system, resulting in significant cuts to the number of foreign workers permitted to enter annually. Under the new cap system, Tier 1 is now broken into three categories: Investors, Entrepreneurs and Persons of Exceptional Talent. While there is no cap for Investors and Entrepreneurs, Persons of Exceptional Talent are being capped at 1,000. Tier 2 (General), which will apply only to

The common concerns are protecting the domestic labor market, improving security, and ensuring strict immigration compliance by employers

graduate level jobs, is being capped at 20,700 individuals annually, with some exceptions. In addition, intermediate English language competency is now required. Intracompany transfers are not subject to the cap, but are subject to increased minimum salary requirements.

India's most recent focus has been protection of the local workforce. Over the past several months, efforts had been made to significantly

restrict immigration benefits in India to foreign workers, sometimes with inadvertent consequences. As a result, India has been easing off several recent changes, most notably eliminating a 1% quota that had been imposed on employers in relation to the population of their foreign workforce, in an effort to attract foreign workers most beneficial to the Indian economy. In that process, however, more stringent assessments are now being made. In addition, India has recently imposed a minimum salary requirement of US\$ 25,000 against employment visa holders, with limited exception.

While the above highlights only four country examples, in general, there is an increase in efforts across the globe designed to restrict access to labor markets by foreign workers, which often include new penalty regimes for employers engaged in non-compliance. In addition, there is generally an increased governmental emphasis on compliance in the form of increased penalties for immigration non-compliance and increased enforcement.

For further information, please visit www.fragomen.com. ■

expat partners – whether male or female – want to work during expatriation (Dual career issue).

- Repatriation is a pertinent issue and far from being properly managed by companies.

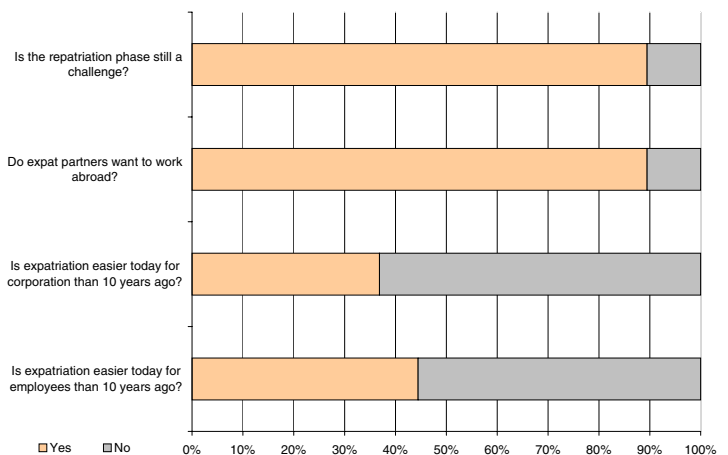
Thomas Buck has discussed this in more detail with Sandra Widmaier-Gebauer, VP Human Resources at Otto Group, a leading international trading and services corporation with approximately 50,000 employees in 20 countries, and Helge Kochskämper, Head of Global HR Projects at tesa SE (Beiersdorf Group), one of the world's leading manufacturers of self-adhesive products with around 3,700 employees in 100 countries.

today. Taking into account the differences in social security systems or tax regulations the whole subject of mobility is still highly complex. Sending employees abroad remains a challenge and requires real expert support.

Sending employees abroad remains a challenge and requires real expert support

TB: *Is repatriation still a problem?*

HK: For the company, the repatriation phase is still a challenge because the right position has to be found at the right moment. And



Thomas Buck: *Is it easier for employers to send staff in expatriation today than it was ten years ago?*

Sandra Widmaier-Gebauer: Many questions related to expatriation are easier to answer today than they were ten years ago. This applies to both us as employers as it does to the employees. Thanks to the high number of expatriations in the OTTO Group we have gained a lot of experience and built up a good expertise in this area.

Helge Kochskämper: In my view expatriation has not become easier

apart from this there is another challenge which is caused by the somewhat complicated German government which doesn't always facilitate things.

SW-G: Repatriation is more part of our daily HR work today than it was ten years ago. It is part of our succession planning and is often discussed with the Line Manager as a high priority. We should not forget that only successful assignments – and hence also successful repatriations – will encourage other employees to be open to their own expatriation which usually is a further step in their career and personal development. ■

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...

Better than expected

Testimonial



Ruth MacNeill

expat partner from Mars, is interviewed by Sam Pinney, Global Operations Coordinator, NET EXPAT Worldwide HQ



Sam Pinney: Ruth, you recently moved from Australia to Europe. What was your initial reaction when you first heard of the expatriation?

Ruth MacNeill: Shock, disbelief, excitement and trepidation! I had never moved abroad before. When the offer came through from Mars, I secretly hoped it would fall through and that I would not have to deal with what was coming. I was fearing homesickness, I was concerned that it would not be easy to make new friends, I was wondering how I would fill my days, how I would cope with the language barrier and wondered what culture differences I was going to face.

When the offer came through from Mars, I secretly hoped it would fall through and that I would not have to deal with what was coming

SP: What helped you overcome this?

RM: I was told that Mars would support me and that I was entitled to NET EXPAT spousal support. When I first heard about the NET EXPAT pre-departure coaching, I did not feel that I needed this support and then you and I had our orientation call and I soon realized that I would benefit from it.

It helped me to focus for the first time on ME: "How to cope with what was coming, how to manage my time abroad and how to gather my thoughts". With the help of my NET EXPAT consultant in

Australia, Kylie, I was able for the first time to put things into perspective. I took the ExpAdviser© tool and with Kylie, I was able to identify areas where I

I took the ExpAdviser© tool and with my counselor Kylie I was able to identify areas where I would possibly struggle

would possibly struggle and what I needed to put in place to handle various situations. I was so surprised to learn stuff about myself and by the time I had completed the program, I was feeling more confident about the move and I changed my opinion



and knew what I would need to put in place to make this a success.

SP: How did the NET EXPAT social integration program help you when you arrived in Europe?

RM: It helped me get on track once I was here. I received from my European NET EXPAT counselor, Isabelle, the local advice I needed from a European expert to be able to refine the work I had done with Kylie in Australia.

Isabelle in Europe helped me to broaden my mind. I'm now motivated to attend my language classes, the gym ... and I am forever going on trips. I've learned to keep my eyes and ears wide open to what is going on around me. Also, having somewhere to come regularly for the sessions, like the NET EXPAT offices, in a city that I was getting to know, was initially very comforting.

I also very much enjoy attending NET EXPAT chattinars, these one-hour, over the phone, lively discussions with other spouses. They've allowed me to see that I am not alone and that there are many spouses in the same situation as me.

SP: How have you found the expatriation so far?

RM: Better than expected, despite the weather ☹️. I've made some booboos, sure. I now realize that it's all down to me, it's what I make of it all. I need to look at the bigger picture and not generalize. Sure I get homesick but I realize I am very lucky to be here for a few years and am very fortunate to have been given such a great opportunity. ■

Net Expat®
We help you expat your talents

NET EXPAT is a global leader in assessing, training and coaching expatriates and their partners. We provide expat partner support, expat coaching, intercultural training and expat assessment to over 200 multinational corporations in 52 countries where we have a local presence. Our ultimate goal is to assist corporations and expats in achieving successful international assignments, whether the move is for three months, three years or on a permanent basis.

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