

Net Expat Newsletter

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In order to promote employees' international mobility, Net Expat helps expat partners find worthwhile work in their new host country through 8 programs covering 41 countries.



Survey

Expatriates go hand-in-hand with partner concerns

Andrew Payne

Staff Writer,
ECA International



ECA International's Managing Mobility Survey is a regular review of company policies and practices with regard to international assignments. The latest edition, with input from 157 companies worldwide, examines important developments in international mobility and provides some revealing statistics. In doing so, it highlights the issues facing policy-makers, and suggests that none are more challenging than those relating to expatriates' partners.

As social attitudes in the West develop, many more women are

forging careers for themselves. This has a twin impact on expatriation. Not only is there a growing number of female partners of potential expatriates whose own job prospects need to

The main causes of assignment failures are even more revealing, with the top three all partner or family related

be considered, but also many prospective candidates are themselves female, often with working partners of their own. Encouragingly, the survey suggests companies are increasingly aware of the resulting issues, but there also seems to be some way to go in taking the necessary steps to address them.

The difficulty of finding suitable candidates, and employees' concerns for career prospects back home, are still the greatest barriers to mobility. However, over 90% of companies also cite family concerns as a common challenge, while partner dissatisfaction is close behind.

The main causes of actual assignment failures are even more revealing, with the top three all partner or family related. Partner careers is prominent among them. While only 4% of assignments are not completed, 6% end without objectives or adequate performance levels being met. It is also possible that insufficient performance measures underestimate the true figures.

Editorial

Dual income

Alain Verstandig

Managing Director,
Net Expat



As confirmed by recent studies into expatriation, including the one by ECA which we have pleasure in sharing with you in this Newsletter, the larger multinationals have reacted very positively to recent developments in solving the Dual Career problem. Hardly five years ago the number of international corporations offering even minimal support was less than 10 percent. Today more than 50 percent of multinationals have recognized the

issue and offer practical support for this problem. Hats off to all these mega-multis that have demonstrated their ability to adapt!

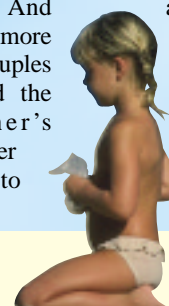
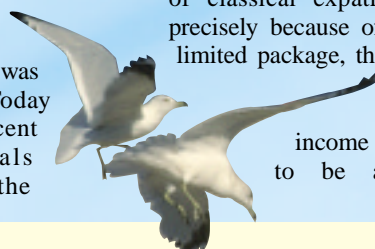
But we are now seeing a second tier of dependent partners penalized by professional exclusion: these are the partners of people transferred from or recruited abroad, but employed in the status of local employees (sometimes known as "local expats"). Their package is markedly less generous than that of classical expatriates. And precisely because of this more limited package, these couples need the partner's income in order to be able to

maintain their living standards. Unfortunately, the help they receive does not always include spousal assistance which, until recently, was considered to be reserved for "classical" expatriates alone.

Many of our clients have appreciated this reality and, without changing the spirit of their packages, now offer our services to this class of partners as well. The results have not been long in coming: their "local expats" more readily accept transfer or recruitment under this regime and integrate more lastingly in their new host country!

Who said "win-win"? ■

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So what can be done? Some companies concentrate on changing the structure of assignments, using rotation

retraining); arranging work permits; setting up contacts and access to career consultants;

providing personal computers; and employing the partner in the host company. However, only 26% have a uniform policy in place to

Many companies encourage partners to take control and help themselves. The company's role is seen as advisory, assisting with career planning in order to optimize timing of assignments for expatriates and career breaks for partners. Support on return to the home country is also important. Evidence suggests that a combination of limited financial assistance and effective

advice and career planning entails only a marginal cost compared to the often very positive impact.

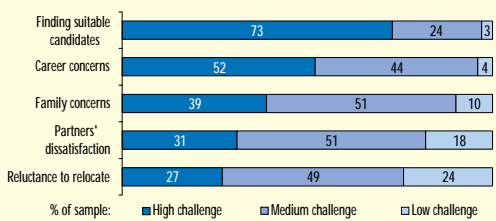
The pressures arising from partner issues can only increase in the future

As companies themselves state in the survey, the pressures arising from partner issues can only

increase in the future. Widening the pool of potential expatriate candidates seems essential. To this end, most companies that do assist partners now extend support to non-married (85%) and same-sex (53%) partners. While legal restrictions in some host countries may preclude partners from going abroad, this is a big increase on previous surveys and a vital step in the right direction.

ECA International is the world's largest membership organization for international human resources, serving a global network of over 4000 HR professionals in 35 countries. For further information, visit www.eca-international.com or contact Nelly Le Breton on +44 (0)20 7351 5000.

Challenges to mobility



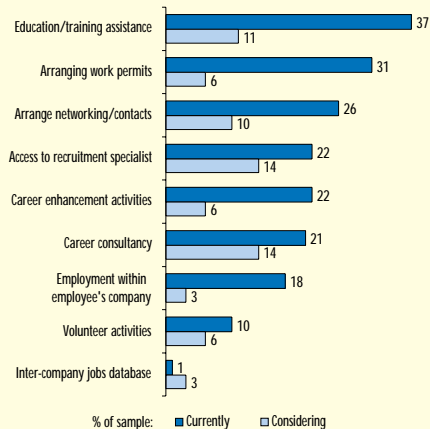
patterns of work, short-term or unaccompanied assignments, or simply more trips home. But these measures are designed to keep partners at home and do nothing to confront partners' concerns about going abroad. This is despite the fact that 80% of expatriates with partners are accompanied by them. Of these partners, 61% work prior to departure but only 18% on assignment.

Other more direct measures can make a big difference: better information on job prospects and potential for self-employment, voluntary work and education (many partners welcome a career break and use the time for

address partners' careers, although this figure was only 11% three years ago.

Companies are even less prepared to compensate partners for loss of income. Only 17% consider this in the expatriate package. Financial assistance can be as an allowance or grant, but more commonly home social security or pension rights are maintained. Only 3% directly compensate for loss of a partner's income, and even then the amount is significantly less than the deficit incurred.

Support provided to accompanying partners



Expert Opinion

Gray hairs for HR professional

Wim De Paepe

Employee Services Manager for EMEA headquarters in Switzerland, Procter & Gamble



One of the biggest challenges we face in relocation is to be sensitive to the regional differences that exist, while maintaining a global perspective. Indeed, in P&G we are proud to have only one worldwide (unfortunately big) policy

manual on relocation. It is the result of long discussion and very careful wording. A Belgian who is sent on an expat assignment will rarely sell his house. An American in the same situation will almost always sell his house. The policy has to offer a response to both needs. Linked to globalization is the question of what you call an expat assignment: do country borders determine the answer or do you use some other criterion? Is a person moving from Brussels to Amsterdam an expat with all allowances

included, while a person moving from New York to Los Angeles is not? Another big challenge for most international companies today is the dual career question. You may have dual careers inside the company, in which case you may be confronted with a two-in-one relocation. Sometimes finding a job for 2 employees will be easy, but at other times some creativity may be needed. There

remains the question of how you will compensate them: will you double all allowances or do you come up with a special package for dual-career couples? Not to speak of dual careers outside the company... In only a very few cases will it be as simple as asking the spouse's company to transfer the spouse to that country as well. In the other cases, offering outplacement



Newsletter

Advice

The world's largest international relocation service center

Gemma Maudsley

Procter & Gamble
EMEA
Relocation Team,
Newcastle,
UK



Recently Procter & Gamble centralized its relocation activities for Europe, the Middle East and Africa (EMEA) as a single operation based in Newcastle in the UK. Net Expat spoke to team member Gemma Maudsley.

Can you explain to us the role of the P&G regional team and how it works?

- The Procter & Gamble EMEA relocation team is responsible for relocation and expatriate payroll services for the whole of Europe, Middle East and Africa. We are currently handling all of Western, Central and Eastern Europe, but are still in the process of taking over the work for the Middle East and Africa.

Our operation is divided into sub-teams, each responsible for a group of countries. For example the team responsible for Belgium also looks after the Netherlands, Spain and Portugal. Our Newcastle operation is the world's largest international relocation service center - we look after the interests of 1700 expats in over 47 countries.

What are the challenges linked to a regional structure like this and what makes it work?

- The greatest challenge is that it's not so easy to provide good customer service when you don't have the opportunity of meeting the transferees face-to-face. We try to overcome this by using video-conferencing and by keeping a close relationship with the transferees, using the phone as much as possible.

Ask your customers what they want!

On the positive side, we have a global approach to relocation and can share our knowledge between the different country teams. Previously there was a problem with inconsistency between different countries.

The regional center was set up about a year now. What difficulties have you experienced during the transition phase?

- The volume of transfers has increased enormously recently, and we have had to manage this situation at the same time as transferring country responsibilities and trying to improve our work systems. We've also had to maintain our level of customer service in order to avoid any noticeable difference between the new and the old structures for our transferees.

What would be your recommendation should another company decide to set up a regional center?

- My advice to other companies establishing a regional center like ours is this: ask your customers what they want! It is vital to understand customer needs. By 'customers', I mean the expats and their families on the one side and line management on the other. ■

or money for the spouse's personal development are probably indispensable alternatives.

The last challenge I want to touch on may sound trivial for many people, but has undoubtedly given lots of gray hairs to many an HR professional: company cars.

A company car for every expat (and his/her spouse)? Probably not... But how to give a car to one and not to another? I'm sure the following scenario sounds

familiar: the expat had a company car at home, but his peer in the host country does not have one. The hundred-million-dollar question: do you give him one or not? Maybe not, but then you will have to pay him for that 'loss'. Maybe yes, but then you'll need to carefully manage his

peer in the host country. The above were only 3 of the undoubtedly many challenges in managing expatriation in today's environment. Who has more? ■

Linked to globalization is the question of what you call an expat assignment

Our Customers

- 3M
- Alcatel Microelectronics
- Alstom Power
- BBL International
- Brady
- Bristol-Myers Squibb
- Bull
- Cadbury Schweppes
- Colgate Palmolive
- Cordis
- Delhaize Group
- DuPont de Nemours
- ExxonMobil
- Gemplus
- Guidant Europe
- Honeywell
- International Paper
- Janssen Pharmaceutica
- Kraft Foods
- Merck Sharp & Dohme (Europe), Inc
- Nestlé European Information Technology Operations Center
- Newell Rubbermaid
- Nur
- PerkinElmer
- Procter & Gamble
- Reckitt Benckiser
- Sonaca
- Sogem
- Solvay
- Saint Gobain Glass France
- Tractebel
- Tyco-electronics Raychem
- UCB
- Umicore
- UPS
- Whirlpool
- ...



Net Expat Newsletter

Society

Women and Management in Southeast Asia

Mary van der Boon

Managing Director of Global Tmc, international management training & consulting, Hilversum, the Netherlands



Political and corporate leadership in Asia is not just a male preserve (as is often the case in Europe): several South and Southeast Asian nations have woman leaders, or have had them in the past, and throughout Southeast Asia women hold key corporate rank and are significantly represented in the workforce.

A UN survey ranking women in management and administrative positions worldwide puts women in Thailand, Singapore and the Philippines significantly ahead of those in the Netherlands, France and Germany. Elsewhere in Asia significant progress is being seen: 13% of Japanese companies have women

directors, compared to only 3% of Dutch and British companies that have women on their boards.

Patience, persistence, and compromise were given as the characteristics that had most helped influential Asian women.

Open ambition, as expressed by western women, made Asian women uncomfortable.

T o s h i b a Thailand Vice President

Kobkarn Wattanvrangkul, a Wellesley graduate, related how surprised she was by her American college roommate's relentless self-promotion and by the way the American would tell herself daily that "one day, I will be President of the United States".

The desire to be a national leader, or even to have personal ambition for herself, had never occurred to Ms. Kobkarn. Dr. Sunantha Hengrasmee, Khon Kaen University's Associate Dean

of Science agreed with this assessment. "Thai women are satisfied to be in the top ten, they don't need to be at the very top", said Dr. Hengrasmee. Women also make their way through the glass ceiling without a fight by being the "last one standing" after their male

colleagues are finished with intrigue and conflict. Lobbying and networking are reportedly

methods frequently used by senior Thai women to rise in their organizations.

One characteristic shared by all interviewees was their privileged position in society: Merrill Lynch Vice President Piyama Sarasin is the daughter of a former Thai ambassador to the U.S., and herself an American University Graduate. While gender may not have as much impact, class is important: women of higher classes in Asia are well-educated and face better prospects for careers as senior managers and organization owners.

Asian women don't appear to be aware of the stereotypes held in western societies about the barriers and limits to Asian women in business. They do not

themselves perceive these limitations to their careers.

On the contrary, they have a surprisingly negative view of the opportunities and career ambitions of western women: while all Thai interviewees felt Thai women were expected by their husbands and families to work, and to remain in the workforce after having children, they did not feel the same was true of North American and European women. Several had encountered women in North America they described as "going to college in order to find a husband" and who had no serious intention of pursuing a lifelong career. Several also commented that European men did not like their wives to work.

All of those interviewed readily admitted that affordable household help, childcare, extended families and a society that encouraged women to work was integral to their career success. They contrasted their own situation to that of women in Europe and North America and considered the absence of these factors to be a large obstacle to western women in business, particularly in Europe. ■

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Patience, persistence, and compromise ... help influential Asian women



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NET EXPAT specialises in helping spouses/partners of expatriates to find worthwhile and fulfilling work in their new host country. Would you like more information?

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