

Market research: Current management perceptions and practices in international assignee, global team preparation and diversity management

Case. itim International

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<p>The burst of globalisation and global business expansions have reinforced the use of international assignments, together with the noticeable growth of global team practices. The thesis, as a market research, aims to provide updated market insights about the current perceptions and practices of the Finnish market in preparing for international assignees and global teams. The research question can be worded as: "what are the current management perceptions and practices in international assignee, global team preparation and diversity management?"</p> <p>The theoretical framework provides a discussion on, first, international assignments, global teams and the current trends. Second, the framework looks at international assignee preparation and global team management, in which mistakes and failures, training and preparation, cultural competences and cultural preparation, are thoroughly discussed.</p> <p>The research methods are qualitative. The method chosen is the in-depth interview and its qualitative analysis. The number of informants was 16, including mostly managers of international companies, but also experienced representatives and experts of the field.</p> <p>The research findings suggest that, the market offers a wide variety of practices. Even though an awareness of preparation provision and cultural impacts is gradually increasing, the field still appears to be underdeveloped, especially in providing training or cultural preparation. Companies prefer to select people with ready competences, rather than to provide massive training. Oversimplification of cultural impacts was commonly seen. Limited or no cultural training is often provided, but is expected to be individually managed. Cultural competences are not understood in the right context and the lack of context also leads to the neglect of cultural issues. Cultural competences are believed to be based on personal innateness which is difficult to be trained.</p> <p>Workforce diversity is considered as a positive factor contributing a rich source of ideas to the workplace. Diversity management is seen as a big challenge. However, it does not remain as a prioritised management issue. It is rather dealt with at an individual level and in informal ways. Not much attempt is seen to be put into preparation for a multicultural working environment or to address differences. It is more important for team members to be open and willing to deal with problems on the go, in which case learning on the job is vital. Ways of addressing differences seem to be homogenising where people coming to the team may find the way to fit into the so-called corporate culture and team members are expected to find harmonisation along the time.</p> <p>The big challenge is the lack of awareness of the benefits of training and oversights concerning the importance of preparation and cultural impacts. Therefore, it suggests significant room for development and awareness increasing.</p>	
Keywords International assignees, global multicultural teams, international companies, cultural diversity, cultural competences	

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1 Introduction

The chapter introduces general ideas of the thesis, from the background information, the research question, the demarcation to the case company and the key concepts.

1.1 Background

The worldwide business is witnessing the burst of a megatrend so-called “globalisation”. Studies about globalisation and its impacts in global business provide a better understanding and preparation for business people to manage current trends and gain success. Furthermore, in this everyday changing world, there is always a need for knowledge updating and a better market understanding enables companies to catch up with current market demands.

Globalisation and open trades also burgeon practices of international assignments and global teams, which have been noticeably increasing in the recent decades. Managing international assignment and global team is such a challenge because it requires master know-how of international environment and diversity management. In fact, there are tons of companies struggling with managing significant changes. To solve the problem, there are, at the same time, consulting companies with expertise of the field, such as the case company. The case company provides consulting service for other businesses that want to go global and/ or are dealing with internationalisation issues. The thesis, as a market research, provides useful updated market insights about potential stakeholders and clients behaviours for the case company, because listening to market changes and understanding about customer behaviours always plays a vital role in business success. The thesis researches about management perceptions and practices, specifically in preparing for international assignees, global teams and managing diversity and differences.

Not only serving the case company’s benefits, but the thesis is also expected to contribute an insightful academic study to the field of IHRM. The topic promises to gain massive interest from experts and people of the field. It is a good topic raised for practical reviews and further development in dealing with diversity and planning for international assignees.

Within the scope of the degree programme in International Business and specialisation in marketing, the thesis is an opportunity for the researcher to sharpen her skills in managing projects. Also, knowledge of the field and marketing research skills are expected to be hugely accumulated.

1.2 Research question

In specifically, the research acquires in-depth understanding about the current management perceptions and practices in international assignee, global team preparation and diversity management. The research targets at the Finnish market.

It aims to figure out, is company workforce well-prepared to go global? Towards international environments, how do companies prepare for their international assignees and global team members to deal with differences, take advantages and gain success? Will they successfully manage diversity or will they fail in difficulties? Do they have long-term orientations and sustainable development plans?

The research question can be worded as “**what are the current management perceptions and practices in international assignee, global team preparation and diversity management?**” The research question is divided into investigative questions (IQ) as follows:

IQ 1. What are the current management perceptions and practices in international assignee preparation among companies in Finland?

IQ 2. What are the current perceptions and practices in global team and diversity management among companies in Finland?

The overlay matrix of the theoretical framework, measurement questions, research methods and result chapters for each investigative question is presented in table 1 below.

Table 1. The overlay matrix

Investigative question	Theoretical framework	Measurement questions	Research methods	Results (chapter)
IQ 1. What are the current management perceptions and practices in international assignee preparation?	2.1 + 2.2	<ul style="list-style-type: none">- How do companies prepare for their international assignees? What training is provided?- How do companies care for assignee families?- Success factors? Challenges? Development?	<ul style="list-style-type: none">- Company representative interviews- Expert interviews	4.1 + 4.2
IQ 2. What are the current perceptions and practices in global team and diversity management?	2.1 + 2.2	<ul style="list-style-type: none">- What does diversity mean to companies?- How do companies prepare for their global teams? Support/ training?- How do they manage differences?- Success factors? Challenges? Development?	<ul style="list-style-type: none">- Company representative interviews- Expert interviews	4.1 + 4.3

1.3 Demarcation

The demarcation explains what aspects are taken into account within the research and what aspects do not belong to the research. The demarcation also explains the criteria of the research target groups on which the selection of right samples is based.

Practices in international assignee preparation and global team management are varied in different businesses. The research, however, prioritises soft-sided aspects in the context of international environment and cultural diversity, which can be applied to any companies. The priority also lays on the management perceptions and practices which are mostly viewed from corporate management perspectives. The research focuses on two types of international assignments that are expatriate assignments with full relocation and global (virtual) team assignments with international team work closely managed in a frequent basis. Although global team is one type of international assignments, it is separately analysed because of its unique characteristics and its raising popularity.

Finland is chosen to be the specific market of the research. Further into demarcating the market, right targeted companies are managing international assignments and/ or global teams, with international networks, people working abroad and/ or coordinating with foreigners physically or virtually. It focuses in medium to big-sized companies, because they are more likely to have the international aspects required. Also, accessibility is always a crucial factor in doing research, the research is carried with companies that are accessible and have the willingness to participation.

1.4 Case company

The case company is called “itim International” which is a network based franchisee organisation. With the head-quarter in Helsinki – Finland, the company is operating with their license holders, currently in 32 countries working in the field of culture. itim International was founded by Bob Waisfisz and Prof.Dr. Geert Hofstede as the commercial spin-off of IRIC, an independent institute part of the University of Maastricht, the Netherlands. In 2012, itim International was bought by FeedbackDialog, a Finnish HR software company established as independent company in 2004. (itim International 2016.)

In brief, the company provides full packages of organisational culture and national culture solutions including training, consultancy and software. Their vision is well presented through the believe statements:

We believe in visualizing the intangible. We believe that an organization is only as strong as its workforce can make it. We believe that culture and strategy belong together and that it is the challenge of managers to use culture as a tool of manage-

ment. We believe in enabling our clients to use culture as a tool of management. (itim International 2016.)

The organisational philosophy is based on three pillars of expertise:

- Deep insight in the business opportunity which more coherence and integration of numerical personal and organisational development data brings, based on our experience as software provider (FeedbackDialog) to many consultancies.
- Deep insight into the key role organisational culture and national cultures have on the successful execution of corporate strategies and performance, based on the experience of our (itim) licensees and its founders Bob Waisfisz and cultural guru Geert Hofstede.
- Our ability to connect these two insights, using software, training and consultancy, to provide a more coherent and cost efficient way of managing organisations, whether they operate nationally or internationally. (itim International 2016.)

Their strengths are laid on the more-than-three decades of experience and expertise of the field. With hundreds of experts in their networks, the company owns tremendous knowledge and expertise. However, the challenge at the moment, shared by the company representative, is the lack of a well-organised design of the expertise to produce coherent packages for their clients. Starting from the desire to design unlockable solution packages using their in-house expertise, the company is interested in in-depth, comprehensive and up-to-date insights about the market. With the insightful and meaningful market knowledge, they are sure to develop outstanding services to address the market demands. (Schram 22 October 2015.) In another word, the research provides updated market insights and potential client behaviours for itim International.

1.5 Key concepts

The key concepts that are used throughout the report are briefly explained to support the fundamental understanding background.

Globalisation/ Internationalisation is a process of massively increasing trades, exchanging cultures and making the world become significantly interconnected. As the result, productions of goods and services are tremendously increased and many multinational corporations expand their presence in many different markets. (BBC 2014.)

International assignment is a general term referring to any work tasks that require companies to send employees abroad or cooperate with foreign people in foreign countries. The most common ones are of long-term, short-term and virtual assignments. Throughout the report, the term “international assignment” rather refers to the long-term expatriate assignment with full relocation of assignees.

Global team consist of people from various nations, cultures and backgrounds. Global team may be widely dispersed in many different locations and execute virtual work, which explains why it is also called as “virtual team”. People of global team closely coordinate and manage mutual projects on a frequent basis.

Diversity, throughout the report, is referred to the cultural diversity of the workforce that creates an environment of people with various nations, cultures and backgrounds. Diversity often contains various differences.

International companies/ multinational enterprises are ones that operate in multiple markets. In this content, these terms refer to ones that manage strong cooperation and interconnection among their global units.

“Intercultural competence is the ability to communicate and collaborate successfully and effectively with those from other cultures by recognising and respecting differences as well as other points of view” (Browaeys and Price 2015, 305). To a larger extent, it also includes the meaning of cross-cultural competence which is: “The ability to function according to the rules of more than one cultural system and to respond in a culturally sensitive and appropriate manner” (Browaeys and Price 2015, 305).

“Market research is a process used to define the size, location and/ or makeup of the market for a product or service” (Burns & Bush 2014, 35). Market analysis is a key part of a marketing plan because it identifies the target market and its needs (Duff 2016).

“Sample is a subset of the population. A population consists of the entire group about which the researcher wishes to make inferences based on information provided by the sample data.” (Burns & Bush 2014, 75.)

Abbreviations

HR	Human resource
HRM	Human resource management
IAs	International assignments
IHRM	International human resource management
MNEs	Multinational enterprises
T&D	Training and development

2 Preparation for international assignees and global teams

The theoretical framework structure is described in figure 1. It first aims to provide an overview about the topic of IA and global team, starting with the wide phenomenon of internationalisation and the need for IAs. It also discusses about two concepts that are traditional expatriate and global (virtual) team, followed by the extended theories about global team. It thereafter focuses on successful practices in preparing for international assignees and global teams.



Figure 1. The theoretical framework structure

2.1 Internationalisation and international assignments

Thanks to the development of technologies, the world is interconnected. People can be kept track with, by virtual means across continents and countries. Together with huge decreases of international trade barriers, there are tremendous opportunities for business expansions and MNEs' stronger presence in different markets. Businesses can be executed across borders, creating unlimited sources of advantages, clients, business networks, etc. What result from globalising trends are: thousands of firms, millions of people work outside their countries of origin and millions of people work for foreign enterprises in their home countries (Tarique, Briscoe & Schuler 2016, 14).

According to the Bureau of Economic Analysis (2013), the number of foreigners employed by foreign subsidiaries of the US MNEs in 2011 increased 4.4 per cent compared to the previous year to 11.7 million workers and in 2010, the number of Americans working for foreign-owned subsidiaries in the US was 5.27 million. The phenomenon is wide-spread in

all parts of the world. This theme is the background for the born of “international assignments” and “international assignees” discussed in the next sub-chapters.

2.1.1 Overview of international assignments

International assignments are generally types of business activities or work tasks that require sending employees abroad, typically from head-quarters or parent firms to other foreign branches or subsidiaries. Nowadays, there are several practices of IAs. Nevertheless, IAs exist on the basis of international connections with international people. Tarique et al. (2016, 24) generally defined the movement of employees between foreign subsidiaries and head-quarters as international assignments and the employees were referred to be international assignees.

Dowling, Festing and Engle (2008, 89) mentioned three big categories of “reasons for international assignments” were position filling, management development and organisation development. Brief definitions of each category can be found from appendix 3. Later on, Tarique et al. (2016, 233) provided two broad categories of “purposes of assignments” were: demand-driven and learning-driven. Demand-driven is for, such as management positions, task performance or organisation control. Learning-driven is for management development or transfers of knowledge within the organisation.

2.1.2 Traditional expatriates versus international assignees

IAs are divided into many types depending on their purposes, durations or other factors. Definitions or categories may be varied in different periods of time. The more developed international business is, the more complicated IA categories are and with new types born. The analysis herein emphasises on two terms “traditional expatriate” and “international assignee”.

Traditional expatriate assignments

It is not an uncommon way to clarify assignment types according to their lengths and durations. There were three basic types of assignments divided historically:

- Short term: up to three months; for such as troubleshooting, project supervising
- Extended: up to one year
- Long term: one to five years with full relocation, normally referred as “traditional expatriate assignment”
(Dowling & al. 2008, 90.)

According to Dowling et al. (2008, 90), there are other types of assignments considered as “non-standard assignments” including commuter assignments, rotational assignments,

contractual assignments and virtual assignments. In addition, definitions of “traditional expatriates and local nationals” can be found from appendix 3.

International assignees

Most of literatures in this topic assumed that people who are on foreign assignments are traditional expatriates (Tarique & al. 2016, 232). However, IAs have become more complex with much more types or divisions. A brief summary of different types of current international assignees can be found from appendix 4. Understanding about each type of assignee (countries of origin, current locations, work locations, etc.) is very important because those are the factors contributing to the assignees’ skills and cultural competences.

Traditional expatriates versus international assignees

Historically, the term “expatriate” was commonly used to refer to employees who were relocated from parent companies to foreign subsidiaries. Today, the term “international assignee” is more generally used to describe any employees in the process of moving from one country to another for a period of more than one year, while being employed by the same firm. (Tarique et al. 2016, 246.)

“Traditional expatriate” still gains major interest and use from large MNEs. Large MNEs with long-time experience in international business, such as Unilever, Royal Dutch Shell, Ford Motor Company move managers from country to country to build global relationships, develop common corporate identities, business cultures among their management ranks and also to ensure necessary talents placed in the right locations at the right time (Tarique et al. 2016, 246). However, “traditional expatriate” often draws up dramatic costs and inflexibilities. According to the PwC Mobility survey of PriceWaterhouseCoopers (2006, 23), from European perspectives, the “staff availability” (one of the traditional reasons for expatriate assignments) decreased from 31 per cent in 2001 to only 17 per cent in 2006 and the “cost of staff” increased its importance as a driver in relocation decisions, from 4 per cent in 2001 to 27 per cent in 2006.

Several recent studies indicated that “traditional expatriate” (two to three years long) has gained less interest from firms, hereby to mention two examples. Professor Reiche (11 March 2014) mentioned the KPMG recent survey about the global mobility among traditional expatriates and other types of IAs. The survey reported, based on the data of 200 senior executives, only 25 per cent of them believed that traditional expatriates were still necessary for today’s business. Only 15 per cent of young employees perceived traditional expatriate as a good career move. Among several reasons for the decrease, the development of network connections, the internet, mobile devices, high-speed transportations,

etc. significantly contribute to the ease of travelling and virtual communications, leading to the transformation of assignments. (Reiche 11 March 2014.) In addition, the 2014 APAC General Session Survey (Worldwide ERC 2014, 2) about global talent mobility on one hundred and five organisations, reported that about 54 per cent of respondents thought expatriate assignments in Asia would decrease or remain the same in 2014 compared to 2013, meanwhile, 78 per cent of them perceived that short-term assignments in Asia would increase or significant increase.

The decrease of traditional expatriates in fact does not put effect into the overall global mobility scope, many studies showed that IAs have been growing tremendously and would continue to grow as global business opportunities expand. This means that traditional assignments have been switched to other types of IAs, in particularly, short-term assignments or virtual ones. According to the “Talent Mobility: 2020 and Beyond” of PwC (2016, 1-4), assignee levels have increased 25 per cent over the past decade, global mobility is expected to further grow by 50 per cent by 2020 and also host locations and countries of mobile employees are expected to raise by 50 per cent by 2020. The future view for 2020 is: “global mobility becomes part of the new normal”.

As there is a noticeable increase in the use of IAs, besides several reasons discussed previously, there are other reasons from organisational perspectives:

- There is a need to develop international experience of management teams by moving them to countries other than their original ones.
 - Many firms that are newbies in international expansions will need to rely on their international assignees for the development of their international business. Known managers are trusted more than unknown ones. Also because of their lack of experience in working with foreign operations, it may be easier to establish new foreign businesses with existing managers.
 - There is a shortage of qualified skills in local nationals, especially supervisory and managerial skills.
- (Tarique & al. 2016, 247-248.)

According to many authors, previous researches primarily focused in administering traditional expatriates. Thus, this particular research not only provides updated insights about expatriate assignments, but also the study about a new arising assignment type which is global (virtual) team discussed in the following content.

2.1.3 Global team

Global (virtual) team is one type of IAs. However, with its distinguishing characteristics and its raising popularity, global team should gain more interest from firms and researchers. Thus, it is herein separately analysed.

Global enterprises with global links and networks create massive complexity. It is brought to a high level with requirements of quite a few interactions and interdependence between globally dispersed organisations, between people in various and globally dispersed sections of those organisations. These interactions form up a work group or team. These teams consist of different people from multiple organisations or departments of organisations, countries, cultures, languages, ways of thinking and working, in different geographic locations or time zones. (Rabotin 2014.) These teams are called by many names, such as global -, cross-border -, multinational -, multicultural - and transnational teams, all of them refer to “the phenomenon of people working together in teams, with common goals, but who are not physically located in the same place and often do not meet but rather conduct their “business” via electronic means” (Tarique & al. 2016, 81). They are also called as virtual teams because their work normally relies on virtual means. The nature of virtual teams is: “they do not meet face-to-face nor co-located, they are widely geographically dispersed” (Tarique et al. 2016, 81).

In fact, these teams can function in one or both two of these different modes:

- Most or everything is executed face-to-face. Extensive travel is concerned to gather team members together, which however, eliminates the biggest reason to use virtual team that is the ability to meet electronically.
- Most of the work is done virtually, they have to rely on technologies to facilitate their communications and contacts.
(Duarte & Snyder 2006.)

The global business is witnessing the significant growth of global teams, given the following reasons. Global business increases its complexity, followed by the need of interacting and networking among people with multiple competencies in many different locations. Global team is used by many firms also because it reduces several costs compared to traditional expatriates. (Schuler, Jackson & Luo 2004.) The burgeoning of communication technologies such as the Internet or Skype equips working people with the best opportunities to collaborate. The convenience of virtual means reduces concerns about relocation issues. (Duarte & Snyder 2006.)

The “Talent Mobility: 2020 and Beyond” of PwC (2016, 11-13) indicated the significant change of future mobility: “to have the right skills in the right place at the right time” has been and would be the priority of organisations. Thus, there is a need to be more open with global talents and more flexible in term of relocation. “The best candidates for overseas assignments may not be ready or willing to relocate, so alternatives to traditional mobility such as virtual meetings and commuting are an efficient way of making sure that the best skills are made available” (PwC 2016, 11-13). Also, according to PwC (2016, 11-13), traditional assignees occupied about 1 per cent of the global workforce, while their

latest figures suggested that mobile workers (non-traditional movements) represented about 8 per cent of the global work population. The future view called “mobility without moves” predicts a further growth of global teams, followed by the eagerness of global team management.

To sum up, the sub-chapter 2.1 draws up the overview background with the definitions and the current trends of international assignments including traditional and non-traditional ones. It also introduces about global team and its future growth.

2.2 International assignment, global team preparation and diversity management

Human resource which is a crucial asset of firms always needs adequate attentions and proper management. Especially with international enterprises, there are quite a few challenges to overcome, such as cross-culture and difference management. A big question that firms and international HR managers need to resolve in managing international workforce, cross cultures and differences is: how to integrate and harmonise their own national, local cultures and legal traditions with the organisational cultures and practices that are derived from a different culture or country. Thus, it is crucial for managers at all levels of local, regional and headquarter to learn to coordinate policies and practices with understanding and empathies towards diverse environments and people of diverse backgrounds. They should also be able to support other managers’ success in their cross-border endeavours. (Tarique & al. 2016, 27.)

In dealing with international workforce, there are many more factors to be considered compared to the domestic level (see appendix 5). The process of global talent management in a short form including: selection, preparation, deployment and management (Tarique & al. 2016). The study focuses on the stage of preparation and for international assignees and global teams. The later discussion aims to provide a theoretical background of: how companies should prepare for their international workforce to work on IAs and manage differences in multicultural environments.

2.2.1 Mistakes in preparation and failures of IAs

The planning stage should not be overlooked. In fact, preparing a good plan is such an important mission because it relates to the quality of decisions made in every stage of the global talent management process. It also determines how firms find and select the most suitable people to IAs and how good preparation is provided to gain advantages from IAs.

Ideal assignees to be chosen should not only be the ones who are able to demonstrate expertise to finish the assignments, but also together with families perform the best adaptation to the foreign environments. The importance of cultural adaptation is often underestimated by many firms that lack of international operation experience, but the same mistake can be found even with experienced MNEs. Very common, assignees are chosen because of their expertise. The factor of cultural adaptation is often ignored, which leads to the failure of IAs. Even the term success or failure is very complex to be concluded. Failure is normally defined in term of dropping out (early return or termination). However, it will still be a failure if the assignment is finished but with poor-quality performance, without cultural adaptation or acceptance of the local experience; followed by the possibility of business relationship damage and cost ineffectiveness for the firm. If personal dissatisfaction arises that the person leaves in a short period of time after repatriation, it will be the costliest failure. (Tarique & al. 2016, 260-262.)

The major challenge seems to lie on assignee inabilities to manage differences and adjust to new cultures. They may often own stereotypes about the foreign cultures, hold biases against the local cultures and be in favour of their own cultures' ways of doing things. (Black, Mendenhall & Oddou 1991, 291-317.) Moreover, studies found out that issues related to assignee families were the most common factors escalating early return or failure of IAs. Preparation for IAs normally focuses on assignees and ignores issues about assignee families. Abilities to adapt to new cultures of assignee families should be indeed taken into consideration. Because, most of the time, they do not have friends, networks nor work placement but daily situations in new environments with different languages. (Cartus 2014; GMAC Global Relocation Services 2000-2014, 262; Stroh, Black, Mendenhall & Gregersen 2005.)

Many studies listed several preparation mistakes that were typically done by MNEs and easily led to problems with international assignees:

- Employees were decided to relocate with too little lead time for preparation;
- Adequate pre-location cultural training and language training were not provided;
- Spouses and families of assignees were not included in the relocate decision;
- Pre-assignment visits, language lessons, cultural training or counselling on jobs and other opportunities were not included for spouses nor families of assignees;
- Little or no support was provided for assignees or families before or after arrival in the host country.

(Tarique & al. 2016, 263.)

Success of IAs can be defined as: finished assignments with goals acquired, good cross-culture management during the assignments and good performance on the assignments (Caligiuri 1997, 17-40). Good management in organisational and national cultures, busi-

ness expertise, personal empathy and maturity all contribute their unique impacts on the success of international experience (Tarique & al. 2016, 269).

2.2.2 Training and preparation for international assignees and global teams

Human force is one of the most critical resources for international operations. Thus, international training and management development, more than ever, play vital roles in the development and success of MNEs. The telling examples are Mc Donald's and Disney universities which have developed their own in-house training centres and business schools. "Training" is a set of activities designed by firms to improve employee knowledge and skills required for the work tasks. "Development" is generally referred to manager development or to-become-manager development that can also be taken broadly as employee career development. (Tarique & al. 2016, 289.) With the importance of training and development (T&D), several authors have suggested the key imperatives to global organisational learning and several factors to be taken into consideration to design an effective international T&D programme (see appendix 6). The international T&D model of Dowling et al. (2008, 137-139) is presented in figure 2. T&D are parts of the process of building up international teams. Pre-departure training is a sub-set of T&D programme before IAs. Most of international assignees are internally selected, but they sometimes come from outside to go directly for IAs without going through internal training.

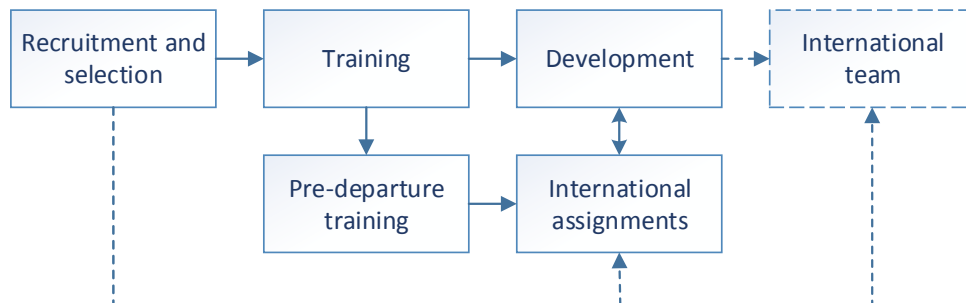


Figure 2. International T&D (Dowling & al. 2008, 138)

Pre-departure training

Dowling et al. (2008, 140-149) listed essential components of a pre-departure training programme including cross-cultural training, preliminary visits, language instruction and assistance with practical arrangements. Further discussion about cross-cultural and intercultural training is provided in the later content.

Several studies were keen on the importance of pre-departure training, one example is mentioned herein. According to the "Global Relocation Trends Survey" of GMAC Global Relocation Services (2004), 73 per cent of respondents indicated that pre-departure train-

ing and cross-cultural preparation were “of great value” or “of high value” to the success of their expatriate experience, those who had received pre-departure training appeared to have better job satisfactions than those with less or no pre-departure training. It suggested the critical effectiveness of pre-departure training contributing to IA experience. Pre-departure training was preferred to be personalised because no two persons were the same in facing with differences. While human aspects were very complex, there was probably no mass programme could ensure the extreme success on every individual. Especially with cultural issues, group reality did not equal individual reality. The cultural knowledge and training should always have been up-to-date. (GMAC Global Relocation Services 2004.)

International assignee preparation

Experienced IHR managers believe that the essential contributor to success of IAs is the quality of preparation. It is of substantial to provide assignees and families with all needed information about the destinations and the assignments so that they are able to make informed decision and self-preparation. Necessary information for assignees and families should include: assignment responsibilities, firm policy concerning IA benefits, compensations and taxes, security procedures and repatriation. More importantly, it is needed to equip them with full competences and attitudes that help find themselves comfortable and productive with the living overseas, which should be focused in the knowledge about the differences and cultural values of the destinations.

Identifying beforehand difficulties that assignees may face is a way to develop a good preparation plan since solutions are often found when being addressed to specific problems. Difficulties of IAs are various, they can arrive from business relationships, host countries coping issues or family issues. They can be prepared well beforehand, for example, good knowledge about host country cultures assists in dealing with differences and knowledge about local languages assists in cultivating business relationships, etc. Altogether, the objective is to ensure successful IAs with goal sets acquired, adaptation to local environments and assignees' international experience can be shared and applied after repatriation.

Firms are increasingly aware of the importance of preparation for IAs. Many of them have divided preparation into two categories that are “counselling” and “training”. While counselling primarily deals with the mechanics of a move overseas, training makes effort in developing knowledge and awareness of national and cultural issues which are so-called soft-sided aspects and are necessary for assignees and families to cope and enjoy their

living overseas. The importance of these training and preparation is gaining more and more recognitions from MNEs.

(Tarique & al. 2016, 316-319.)

Global team challenges, effective preparation and management

Despite many advantages mentioned previously, global teams still hold their own challenges. It requires the management of out-of-sight members who are not always available for face-to-face contacts. Adjusting from managing activities to managing projects and their results seems more realistic and practical, which also dramatically changes the traditional ways of management. As the result, it leads to a new concept of “management” needed within these teams that are: strictly self-management, interdependence and coordination via the Internet among team members. The working environment itself creates numerous uncertainties in managing people in different places without sights or direct interactions. (Cascio 2000, 81-90.) The “study 2000 PriceWaterhouseCoopers” found out that virtual assignments were more for regional positions and were more common in Europe where the markets shared many mutual characteristics or similarities in cultures. Meanwhile, virtual assignments, for example between Europe and Asia-Pacific region, might run into difficulties due to huge differences, in such as time zones and working cultures. (Dowling & al. 2008, 92.)

The study of Welch, Worm and Fenwick (2003) about the use of virtual assignments in Australian and Danish firms suggested other challenges in role conflict, dual allegiance and identification issues: it was difficult to define clearly where the responsibility belongs to and time management between virtual and real work tasks was also a problem. In addition, there is a lack of interactions among the team because the work is done digitally. The lack of interpersonal and working relationships may create problems and potential cultural misunderstandings. Thus, essential requirements for the team are: cross-cultural and intercultural competences, skills of using technologies and media and periodic face-to-face meetings and visits. (Welch & al. 2003.) Many studies, for example from Evans, Pucik and Barsoux (2006, 314-315), suggested that periodic face-to-face meetings played important role in building trust among team members and driving success of the team. It was also suggested by many authors, for example Cramton (2002), that there was a need for face-to-face meeting probably every three months to maintain healthy working relationships among team members before the level of trust fell below some dangerous thresholds.

As mentioned about the importance of trust and intercultural competence, also because of the team’s unique characteristics, it requires extra attention in, for example, trust cultivat-

ing, conflict resolving, difference management and effective coordinating in a multicultural environment. Therefore, the provision of cross-cultural and intercultural training should be considered by firms. In addition, in providing T&D for global teams, there are a couple of challenges to be mentioned: their diverse time zones and locations, their diverse cultural backgrounds, their often larger-size than co-located teams and their usually use of English for communication while it is not the mother tongue of many members. However, the problems may largely come from the fact that they do not usually work face-to-face. (Katzenback & Smith 2003; Labianca 2004; Oh, Labianca & Chung 2006, 569-582; Tarique & al. 2016, 298-300.)

Many researches were interested in the effectiveness of diverse (heterogeneous) teams compared to homogeneous teams. There was, for example, the research presented by DiStefano and Maznevski (2000, 45-63) indicated that diverse teams that were well managed demonstrated better work performance than homogenous teams; however, oppositely, the diverse teams that were poorly managed performed lower performance compared to homogeneous teams (figure 3). It can be seen that, diverse characteristic possibly becomes an advantage to drive high performance if well managed. In contrast, diversity and its complexity also create problems to teams if poorly managed. Again, managing diversity and bridging differences in order to use them as positive forces should stay at the heart of global team management. Diversity is further discussed in the later content.

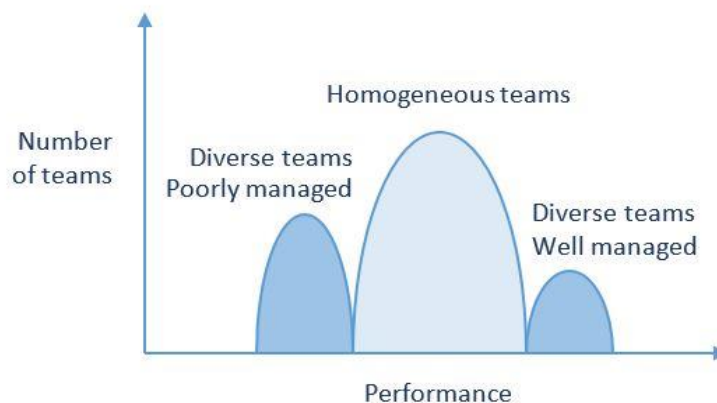


Figure 3. Effectiveness of homogeneous vs. diverse teams (DiStefano & Maznevski 2000)

Several tips for good global team practices have been suggested: a face-to-face meeting in the beginning to build relationships, forming the team as small as possible for well managing, defining practices of communicating and clear role explanation of every one, strong links with parent organisations and rewards of team results – not how individuals work. The team also needs a strong “sponsor” from the beginning who is not involved in everyday activities but presents their interests at a senior level, who is interested in their progress and is able to help solve problems. Once again, it is stressed on the importance

of trust to the team success. People tend to assume that trust automatically comes, however in fact, with people who rarely see each other, how is it possible? Maitland (2004) put: “the teams that were more successful put in an effort to try and build trust” and the “consistency and encouragement” assist the trust development process. It is also advised to have clear goals, deadlines and team ground rules. The team should all have understanding and appreciation towards diversity, openness in conflict solving. Visibilities of virtual members should be enhanced by equal contributions, celebrations of result achievements. Team members should be enabled to benefit from the team and team building also assists in improving the team performance. Team members should be provided with cultural mentors to deal with cross-cultural issues and IT technicians to help with technical problems. (Malhotra, Majchrzak & Rosen 2007, 60-70.)

John Browne, the former CEO of BP Amoco, put: “Learning is at the heart of a company’s ability to adapt to a rapidly changing environment” (Prokesch 1997). It is even more applicable in the global perspective. Learning is crucial for firms, learning across borders, across organisational departments and across people on IAs or of global (virtual) teams. Firms must overcome the challenge of learning in today’s business context, by putting learning on a global basis becomes a focus of central management. People within an organisation must be aware, willing to contribute and commit to the importance of learning, the need of sharing and utilizing information. (Tarique & al. 2016, 84.)

2.2.3 Cross-cultural, intercultural competences and cultural preparation

Browaeys and Price (2015, 305) rewrote the definition about transcultural competence of Trompenaars and Woolliams (2009), transcultural competence was defined in two terms, “cross-cultural competence” and “intercultural competence”:

- Cross-cultural competence – the ability to function according to the rules of more than one cultural system and to respond in a culturally sensitive and appropriate manner.
- Intercultural competence – the ability to communicate and collaborate successfully and effectively with those from other cultures by recognizing and respecting differences as well as other points of view.

Browaeys and Price (2015, 135) also mentioned Trompenaars’s model of reconciliation (2000), in that he pointed out three essential components of transcultural competence (or “cultural competence” in other materials) were “awareness, respect and reconciling cultural differences”. The development of cross-cultural competence is presented in figure 4.

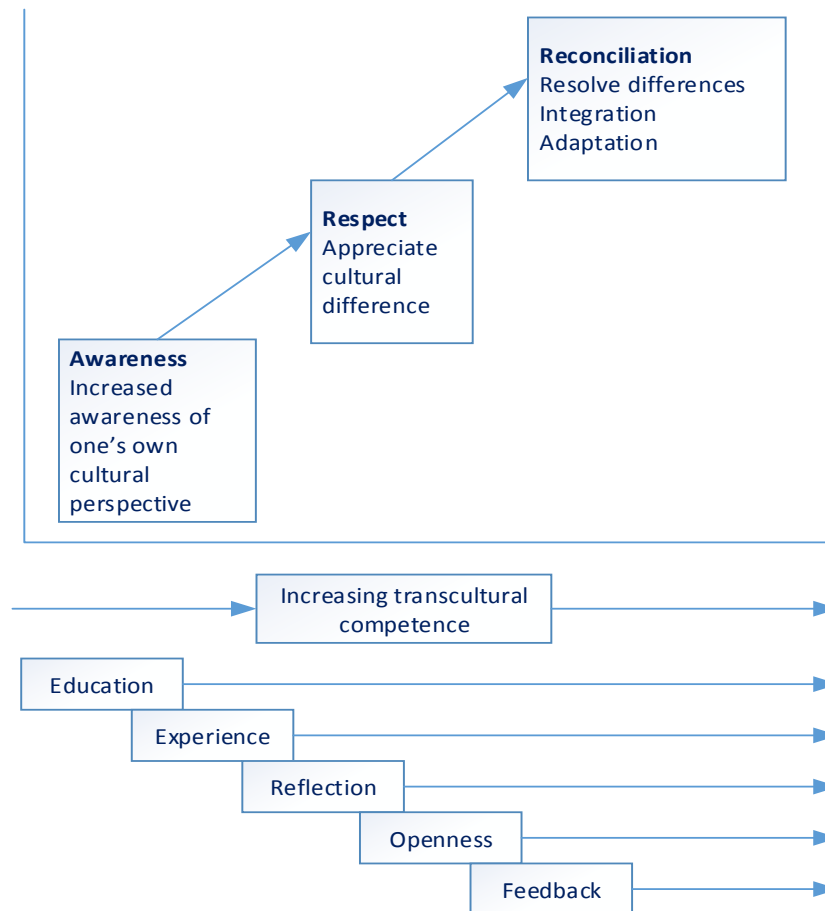


Figure 4. Development of cross-cultural competence (Tarique & al. 2016, 127)

Culture shock

Acculturation curve of culture shock often has four phases. Phase 1 “euphoria”, often short, is the honeymoon when feelings reach the most positive level, with the excitement of travelling and seeing new lands. Phase 2 “culture shock” is when real life situations in new environments are faced. With difficulties and differences, people may have to learn new things, even start with the simplest things over again, which can lead to the feelings of distress, helplessness and of hostility towards the new environment. Feelings drop to the most negative level. In phase 3 “acculturation”, people slowly learn to integrate into the environments and increase self-confidence. Feelings slowly raise and improve. Phase 4 “stable state” may remain negative compared to home, as good as before or even better than before if visitors considered as adapted. The length of the time scale seems to adapt to the length of the expatriation period. Culture shock happens even with experienced people, even when they return to their home countries and find themselves no longer fit in - “reverse culture shock”. There will be a culture shock to every new environment after a period of time. It happens to every person, with any kinds of environment and people. (Hofstede 1997, 209-211.) It is important to understand the nature of culture shock and the state of mind. Because, when its nature is understood, it is much easier to admit, to overcome and to adapt.

Cultural preparation

The recent “2014 Global Mobility Trends Survey” of Brookfield Global Relocation Services (2014) indicated that the importance of cultural training had been aware of and understood by the majority of organisations. Also, the “2014 Global Mobility Policy and Practices” pointed out that most organisations realised the need in providing cultural training to both assignees and families and its huge impact on IA success. Inabilities to adjust to foreign cultures or culture shock can be improved and prevented by better training and preparation, which helps to better perform expected tasks and thus reduces the risk of failures. (Cartus 2014.)

According to the “Economist Intelligence Unit 2010” report, a number of 73 per cent of respondents indicated that “cultural sensitivity” was the most important attribute of a successful expatriation, followed by other attributes, such as “experience of living and working abroad”, “ability to lead by example”, “foreign language skills”, which occupied from about 32 to 39 per cent of respondents (see appendix 7 for the result figure). It was also figured out that the greatest difficulty for expatriate managers was “cultural or national conflicts between staff” which held 50 per cent of respondent opinions, followed by other issues, such as “inability of foreign managers to understand local culture”, “different working styles and office norms”, that represented from about 42 to 47 per cent of respondents (see appendix 7 for the result figure). (Economist Intelligence Unit 2010, 12-15.)

Cultural training, most importantly, should be able to help international assignees to realise in focus the following. The differences of multiple countries and cultures need to be given empathies and appreciations. There are many differences that do not share the same features as their original cultures. Analysis about host cultures helps to understand about the societal values and their original reasons so that assignees and families are able to appropriately give their respects and integrate into the local ones. Training may be designed to practice cultural behaviours that are useful for each specific host country. Without those fundamental preparations, people are likely to struggle in integrating and adapting to new cultures. (Stroh & al. 2005; Tarique & al. 2016, 315.)

Pre-departure cultural training should be customised according to levels of differences. If the level of difference is high, extensive training should be provided. Firms may also provide post-arrival training on more complicated aspects because sometimes people are more willing and ready to intake deeper knowledge about new cultures when first-hand experience is accumulated. (Stroh & al. 2005.) Cross-cultural training model developed by Mendenhall, Dunbar and Oddou (1987) tackled appropriate approaches of a cross-cultural training programme, even with the pass-by of time, it is still valuable in the present con-

text. Depending on the length of stay which reflects the level of interaction with the host culture and the level of difference between the home and the host one, an adequate length and methods of training are defined (figure 5). Based on the model, firms are able to design appropriate training programme and methods for their assignees.

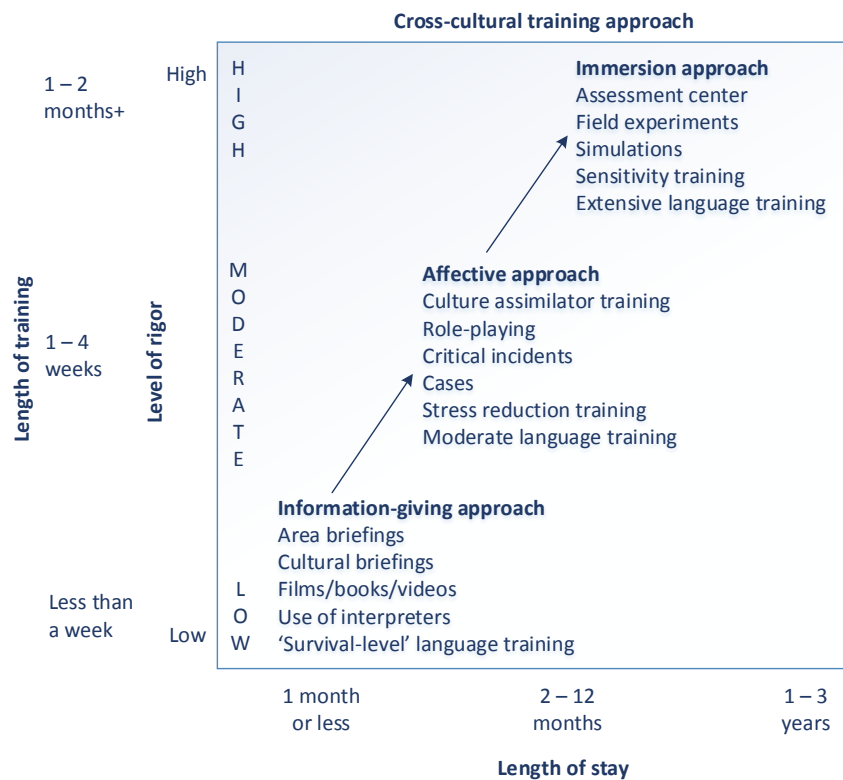


Figure 5. Cross-cultural training approach model (Mendenhall & al. 1987)

The discussion has focused on the preparation for international assignees and their families. However, cultural training is necessary for many others, especially people in international operations, coordinators or managers of diverse workforce and global teams. To MNEs with the global mind-set and dedication to global operations, it is essential to provide cultural training for everyone in the organisations. (Tarique & al. 2016, 316-319.) People with transcultural competences usually find it easier to transit from one culture to another. Browaeys and Price (2015, 305) also shared the same opinion emphasised that transcultural competences are not only the must-have for expatriates, but it is also essential for managers of multicultural teams and so on, as it is “everyone’s business”.

Multicultural diversity

Talking about diversity, Browaeys and Price (2015, 303) referred to a survey of Adler and Ghadar (1990) indicating that diversity could be a big cause of problems. Problems may arise from communication and integration processes especially when firms want to apply same ways of thinking and doing in requirement for the whole team. Certain practices and procedures adopted without cultural adjustments can also create confusions and prob-

lems. Despite the challenges, diversity contributes significant advantages and is a big source of new ideas. Organisations with global aspects and diversity of workforce often have open minds and are more aware of consumer needs. Diversity brings up flexibilities and creativities. When coming to reposition, diversity generates ideas, develops projects or opens up to fresh perspectives. (Adler 2002, 157.)

Cultural diversity has been, more than ever, reinforced by internationalisation and global businesses. Its importance is increasingly recognised and discussed. It, therefore, raises the question of how firms can actually manage diversity and turn it into a positive force.

This means having managers who are able to adapt and who can use the intercultural situations present both within and outside the company to the company's advantage. Managers need to acquire tools and working methods to allow them to develop sufficient competence in the cross-cultural context to turn diversity into a competitive advantage. Browaeys and Price (2015, 305.)

Professor Maznevski (2007), in her lecture about leading diverse teams, discussed a deeper look into the issue. People are often afraid of being different, because it puts them into an insecure feeling of being left aside. People, when noticing they are different, actually tend to hide it and their reactions will be to create all-the-same platforms and feelings. It may feel safe, but it will lead to two mistakes: opportunities diversity offers for outstanding performances will be missed out and those who cannot force themselves to follow the dominant norms of the teams will be demotivated and frustrated. Her message was: "one, if you've got diversity you should use it, the second is that if you want high performance you should use the diversity you have to get there". (Maznevski 2007.)

In conclusion, the sub-chapter 2.2 discusses about the common mistakes in preparing for IAs and global teams, followed by the needed components for good preparation packages and training programmes. It also creates further discussion into cultural competences, the importance of cultural preparation and cultural diversity management within global organisations. Figure 6 presents the summarised framework of international assignee preparation prior departure, together with the key concerns during and after IAs.

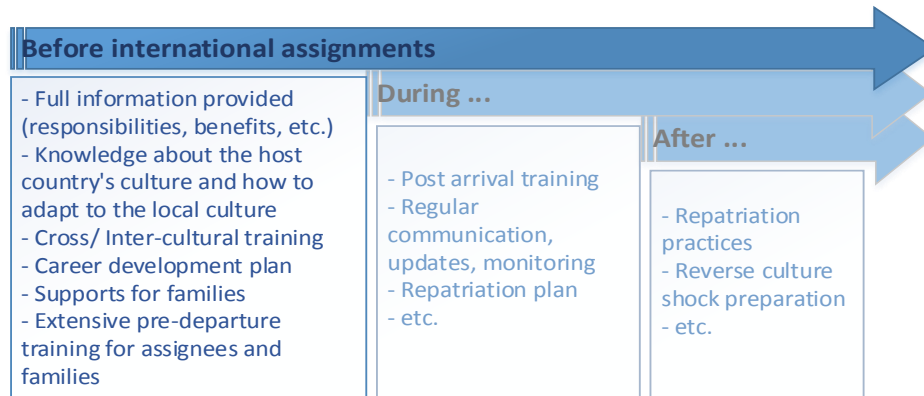


Figure 6. Preparation for international assignees

Figure 7 presents the summarised framework of preparing, managing and assisting global (virtual) teams to drive high performance. Supports for global teams should be evenly distributed throughout the whole process.



Figure 7. Management of global (virtual) teams

3 Research design and methods

The chapter describes the methods used for the research, the reasons of the method choice, the research process, together with the discussion about reliability and risks and limitations of the research.

3.1 Research methods

The research methods are qualitative. According to McGivern (2013, 146): “Qualitative research is particularly suited to exploratory and descriptive research enquiries and for researching complex issues”. Qualitative methods are suitable when the research is targeted to figure out about “people’s experience, the way they do things, their motivations, their attitudes, their knowledge, the way in which they interpret things, or the meanings they attach to things”. In addition, qualitative methods enable descriptions and understanding of issues, processes or behaviours. (McGivern 2013, 148.) Therefore, qualitative methods are very suitable for the research’s aims which are insightful understanding about company practices, management perceptions and people’s experience. Also, this unique data may not be available elsewhere than from the primary data collection. The specific qualitative methods chosen are in-depth interviews with purposive selected samples. Qualitative interviews are more flexible in compared to quantitative methods: the interviewer has the freedom to react to the respondent’s answers and to adapt the interview accordingly, the interviewer also has the flexibility in altering questions or inserting follow-up questions if something appear to gain interest for clarifying or exploring in greater details (McGivern 2013, 148).

“With such small sample sizes and the use of purposive (rather than random) sampling methods, findings from qualitative research cannot be said to be representative in the statistical sense, and they are not meant to be so” (McGivern 2013, 147). The use of purposive sampling method may increase the reliability of the research in the way that samples are carefully studied and selected before the actual interviews. Thus, right respondents are ensured to be reached. Also, it is important to take into consideration that the research is aimed with insightful knowledge and understanding about the market behaviours rather than general conclusions of the entire market.

Qualitative analysis is about examining qualitative data for patterns, themes and relationships. At the end of the data collection process, the data should be organised, sorted and pulled together to be “the findings”. (McGivern 2013, 414.) Specifically, thematic analysis, the most common analysis method in qualitative research, is a categorising strategy for qualitative data. Qualitative data is sorted into categories, which enables the discovery of

patterns and the development of themes, from a broad reading of the data. (Foundations of Qualitative Research in Education 2008.)

In particular, samples of the research are aimed at two groups of respondents. Studying about management perceptions and practices, it targets at high-level managers or HR managers of companies to be the focused ones. Senior representatives who have good knowledge about their company practices towards the topic, with their first-hand experience in IAs and/ or global teams, are also potential respondents. The second group of respondents is aimed at experts with the specialist knowledge of the field and the experience of working with numerous companies. There is also a comparative analysis between two groups of respondents. Choosing a mix of respondents among managers, experienced representatives and experts provides a wider and more comprehensive view on the topic, with a good combination of management perceptions, experience and specialist knowledge. Different points of view are taken from different angles. It also promises a better respondent accessibility for a higher response rate. The sample size is targeted at fifteen respondents in total. Figure 8 illustrates the research methods used.

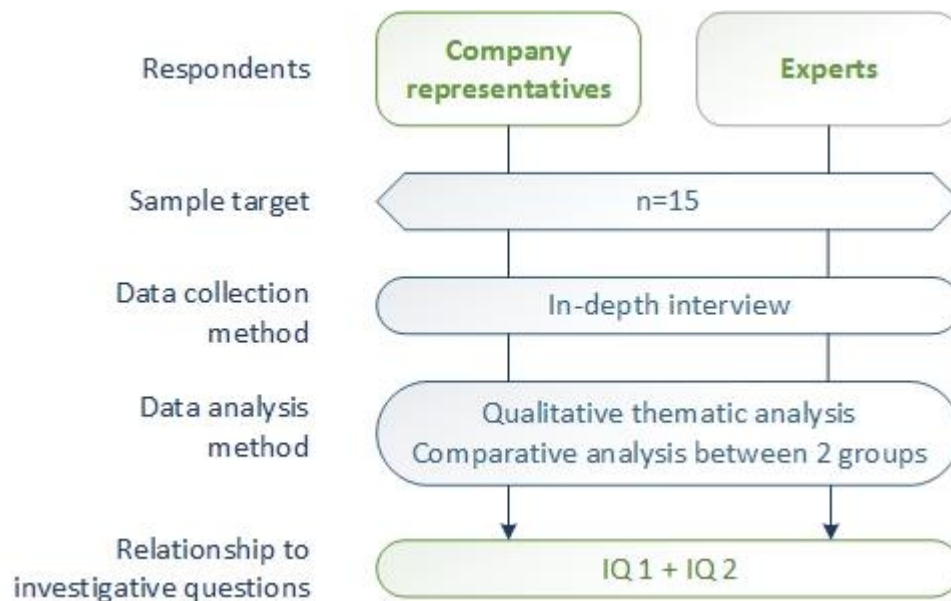


Figure 8. The research methods

3.2 Research process

The data collection phase was carrying out from the beginning of January to the end of March 2016. There were in total 16 respondents from 14 different companies including: 9 CEO, managers or HR managers of international companies, 5 senior executives with the first-hand experience in IAs and/ or global teams and 2 experts in the field of IHRM. Besides 2 experts who were at the same time closely working with companies, there was

only one respondent who did not represent his current company but shared about his previous management experience. The rest of informants represented their current companies. Within the companies reached, there were companies practicing both expatriate assignments and global teams and there were also cases practicing only one type.

People's contacts were accumulated via different ways. First, the "Uudistuu ja Uudistaa 2015" fair organised by HENRY (The Finnish Association for HRM) on the 24th of November 2015 was attended. In the fair, 20 company representatives were approached and asked about their companies' international status and their willingness to participation. Five companies were found to meet the requirements and at that time, agreed to participate. Later on, the "Duuniin.net" fair organised at Haaga-Helia University in Pasila campus on the 10th of February 2016 was attended. The number of 10 companies was approached, 5 of them were potential and agreed to participate. All the potential representatives (10) were followed up after the initial contacts in the fairs. However, there were only two answers received with the later clarifications that the companies perceived themselves as unsuitable for the research.

In the beginning of January, the references received from the case company's representative assisted in generating contacts with potential people who could either take part in or suggest informants for the research. From that, the first informants were reached. There was also the chance to access the HENRY's network to seek for volunteers by including a short invitation to the HENRY's newsletter. Only one volunteer was received from that channel. After the first interviews, the informants were asked for support in referencing and introducing the research to potential informants from their networks. By this way, the response rate was much higher and the potential people approached were more certain to actually participate in the research interviews. Those who had participated in the first interviews got to know about the topic and were able to suggest right informants. The researcher's network was also used, her friends working in international companies in Finland were asked to introduce the research to their companies' managers or potential informants. In the meantime, open invitations were sent via emails to about 20 companies which appeared to highly meet the selection criteria. After a long period of time, there were 3 refusal replies and only one participation approval. Mainly, the ways of receiving informants were throughout people's networks and references, especially from ones who had clear ideas about the research topic.

Potential respondents were firstly contacted by emails in which the background of the researcher, the research topic and the purposes were briefly explained. The research's ideally suitable informant was also briefly described so that recipients could consider about

their own and their companies' suitability or could help find suitable informants within the companies. In some cases, recipients asked for further clarifications and the list of possible questions. The invitation letters were varied from case to case, with the individual approach, depending on the referrers and the referees. The list of possible questions (see appendix 2) was sent to all informants before the actual interviews for their better preparations towards the topic. Also, it gave another chance for them to reinsure their suitability, which further increased the research's reliability.

After the first two interviews, the reflective discussion was conducted with the case company's representative. The findings of the first two interviews were briefed in order to seek for possible adjustments. The discussion also brought up many new ideas and criticisms for the research analysis. After the discussion, minor changes were made to the list of questions, with the change in words and expressions for a more neutral and objective tone and some more questions were inserted. Still, the main idea and content of the questions were remained the same. During the research process, not only one fixed version of the list of questions was used for all the cases. Informants were approached individually, it was needed to properly treat each informant according to the specific case and one uniformed list of questions could not be fitted by all different cases. There was also the selection in questions or word adjustments to suit each individual case. In some cases, more questions were inserted if it would be suitable and possibly reached. However, to ensure the equal quality, the improvisation was minor and still ensured to remain the targeted content among all the informants. In addition, during the interviews, because of the nature of qualitative methods, it was many times required the flexibility in the questions asked accordingly different cases. To acquire as much relevant information as possible, many additional and improvisational questions that were not always presented in the question list were inserted. All the time, the questions ought to be relevant to the research and the main concerns were always remained.

There were 10 face-to-face interviews, including 7 ones at the informants' premises and 3 ones in the cafes. There were also 2 interviews via Skype and 3 phone calls. The longest interview was in one hour and 20 minutes and the shortest one was in 30 minutes. The average length of the interviews was about one hour. All the interviews were recorded with the voice recorder. All the informants were ensured that their companies' and their personal identities would be treated anonymously and would be used for the research purposes only. All the interviews were conducted in English.

3.3 Reliability

The methods of in-depth interviews enabled the control of reliability. With the purposive sampling method, all the informants were researched carefully before interviewing in order to ensure the suitability. Most of the informants were referenced by people who had participated thus, had good ideas about the research topic. Or the informants came from the cases that the researcher had much knowledge about. The reliability was managed through the contacting and selecting process before the interviews. Also, informants had the chance to review their suitability through the prior information provided and the materials such as the list of possible questions. The whole process of ensuring the reliability was explained together with the research process in the previous section. The research offered a good mix of insights from different industries, company sizes to different perspectives. The knowledge of the current market situations was also re-considered by the experts' specialist knowledge and experience in the field.

3.4 Risks and limitations

The risks could be the right informants for the required data could not be reached. Or the informants did not have full knowledge about the topic, which might be quite typical in the cases of big-sized companies with specialised divisions. Sometimes, people might hold subjective opinions or personal beliefs towards some hidden issues. The topic itself, in the area of IHRM and dealing with human matters, was the complex one. Also, different business sectors or industries might influence different impacts on the results. The researcher had not been an expert in the research specific field before, which required extra effort in studying and knowledge prepared.

English was neither the mother tongue of the researcher/ interviewer nor the interviewees, which might lead to misinterpretation or misunderstanding. The samples selected based on the research requirements, their availabilities and willingness to participation; thus, they might not all be the best market representatives. There was a major difficulty in accessing business people who had limited time and some interviews were limited to a fix time range. Some informants were only available via phone calls which held some disadvantages, without deep and convenient discussions, compared to the face-to-face ones. Nevertheless, the interviews were done with all key points acquired.

The field of IHRM was quite new with the concepts and terms, for example, IAs or global teams might be called differently in practice. Some company representatives might not be familiar with some certain terms. Thus, it might be insecure to define the whole topic by using a single term. Referring to the contacting phase, brief explanations might not get

fully understood, whilst long explanations in invitation letters might enter a high possibility of refusal. Hopefully, this aspect was not the barrier to prevent respondents from taking part. Furthermore, in reality, there was a wide variety of cases and practices. There were cases that strictly fitted to the theoretical definitions. But there were also some cases practicing different types of IAs, global teams that might not always strictly follow the theoretical definitions, even though they still belonged to the IA and global team categories. Some practices of companies were not even called or defined by any names. It was also the challenge, in doing research, to harmonise between academic and practical aspects.

4 Results

The chapter interprets the results collected from the data collection and research process, together with the possible analysis and comparison with the theoretical framework in the chapter 2 of the report.

The RQ of the research was “**what are the current management perceptions and practices in international assignee, global team preparation and diversity management?**” The RQ was divided into two IQs that were: the research about international assignee preparation and about global team and diversity management. In the beginning of the chapter, the general findings applied to both categories are presented, followed by the separate discussion on international assignee preparation (4.2) and global team and diversity management (4.3). Suggestions for the case company are presented in the sub-chapter 5.2. The list of researched cases is available from appendix 1.

4.1 General findings

Even though the focus of the research was about the preparation for international assignees and global teams, the selection phase was all the time referred back to, for its significant importance. The “selection phase” applied to all the cases: the international assignee selection that might happen internally of companies, the employee selection for global, multicultural teams and even the expatriate selection from outside. One of the fundamental findings was: companies always desired to hire or select the right candidates who were ready for IAs right from the beginning and as the result of the recruitment and selection process. Candidates so-called “the right people” were the priority companies looked for and were considered to be the critical keys to success of IAs. “The right people” were expected to already master the skill sets required for IAs and in this research the focus was about international skills including interpersonal and intercultural competences. This perception which was interpreted by all the cases significantly affected their practices, for example in providing training for people to IAs that would be thoroughly discussed in the later content. In many cases, companies expressed their emphasised attention into the selection process as they usually implemented very strict recruitment and selection which could even take place from half a year to a year for one position. Other managers said that, in some cases, they were willing to wait for the persons that to them would be the right ones or if they did not have the gut feelings that the persons were the right ones. It was experienced that recruitment and selection always required significant work that took dramatic resources.

At all time, recruitment and selection appear to be the big challenges in HRM with numerous issues to be taken care of. It could be seen from the above finding that it was a big challenge to select right people, it took huge resources and it might rely on subjective feelings of recruiters. The question herein, if companies truly believed and relied on recruitment and selection to ensure the quality of their assignments, how would they define a right person and how would they ensure the persons selected were the right ones? When this question was asked, the very common answer was: well, we did not always know, but it was always the problem of recruitment everywhere. They admitted that it was not easy to see right away if a person was suitable or to assess people skills during 30-minute interviews only. This issue seemed to be yet unsolved. Company E was the only one referred to the psychometric test (the company actually provided recruitment service and recruiters were professionally trained), the rest only used interviews or some could also use outside service providers to assess candidates for certain assignments. In addition, they claimed to use other measurements such as supervision on probation time. And expatriate assignees were usually selected internally. Nevertheless, relying purely or heavily on recruitment and selection to ensure assignment success could be seen as an uncertain method.

Taking into consideration selection for IAs or global teams, besides work-related skills, soft skills were also the ones that needed attention. About half of the informants emphasised that “interpersonal skills” were the important aspects they looked for, the rest varied case by case. Other criteria mentioned were independent skills, global mind-set, organisational culture fit and abilities to finish the work tasks. According to the theory discussed in the section 2.2, one of the core competences for international assignees and people working in global or multicultural teams was the transcultural (intercultural) competence which was not emphasised by most of the cases. They seemed to understand the “intercultural competence” in a narrow meaning which only related to the knowledge about other cultures. They did not appear to see the strong connections among interpersonal skills (which were paid attention) with intercultural or other international skills. The lack of full understanding towards the context might also lead to the neglect of the issue. (Discussion about transcultural competences is available in the point 2.2.3, further studies on components and their connections of international skills can be found from the “Hidden competences 2014” of CIMO.)

When being addressed specifically to the needs of intercultural competence for expatriate assignments, unsurprisingly, all informants agreed on its tremendous impact. However, with global or multicultural teams, the impact was not seen as strong as the former case. Company E that mentioned above also strongly agreed that intercultural competence was

the core one that they used to assess candidates for IAs or nation-wide companies. More detailed discussion about separated cases is presented in the later content. In general, intercultural competence did not seem to be fully understood with its right context.

Coming back to the points of recruitment and selection, according to the “Hidden Competences” research of CIMO (2014), international skills of people, especially the ones acquired by international experience of studying or working abroad were hidden and were difficult to express or recognise. This again led to the difficulties in recruiting and selecting right people for IAs or global teams, because the crucial skill sets were actually hidden. Furthermore, also from the CIMO’s research, employers often sought for competences from international experience of people but they were not able to link those competences at recruitment. In the specific cases of the research, since there were always several influenced criteria upon choosing a candidate, some companies strongly emphasised on selecting people with good international skills and abilities to work in multicultural environments and some others might prioritise other criteria such as people experience or expertise. However, interestingly, after recruitment and selection, they all had good people with good international skills ready right from the beginning of the work. Some clarifications were that very often, people with good experience and expertise also acquired an open mind-set towards international contexts and often came with good international experience. However, this might slightly vary depending on different business sectors, the cases dealt by the research were mostly international businesses with service and customer orientations.

Another interesting point was that, all the cases were very satisfied with their multicultural team members and their teamwork experience was satisfactory with no such big difficulty in coordinating among team members. To their assessments, all the team members were already very experienced, professional and internationally open. With the companies practicing expatriate assignments, they were also quite satisfied with their assignee selections, because they did not have any catastrophes so far. There was also one case, the informant shared:

I would say, normally we have a very good hunch of who would be good for the jobs. But we have had some not-so-good choices as well. Afterwards, we realised the person was not perhaps what we expected. But I do not think we have any catastrophes or complete disasters. I think they have coped. But in the way we expect them to be excellent, perhaps, not always we reach that. (Company C’s Manager 10 March 2016.)

In general, the researched companies appeared to do fine with their recruitment and selection, some reasons lying behinds could be as following. Those cases were international companies with at least some international aspects or practices and most of them were big-sized companies. Big MNEs often had tough competitions in recruitment and they got

a big number of applications with many experienced candidates. Thus, they might have the ability to recruit the best people; however, this might not always apply to many other companies in practice. Also, unsurprisingly, the prioritised selection criteria usually laid on people experience or expertise and soft-sided competences normally came in the second place. In addition, it could be possible that the cases researched were the skilful ones in combining and forming working teams.

It was also important to take into consideration the cultural aspects of the market. Finland had the international level above the average of European countries. People in Finland had opportunities to travel abroad and to gain international experience through overseas studying or working. With the high educational level, people in Finland had good awareness about other countries and cultures in the world. It could be seen that the Finnish labour market had the ability to offer skilful people with international competences and experiences in general. The results would probably be very different if being carried out in another market which had the different level of people international experience. Also, the world was getting much more globalised and connected in the recent decades. The young generation was born in a global world, which was possible to believe that international competences could soon become people natures.

The young generation is so much more aware. They come with better complete set of skills than the engineers' ones in the 90s. Now, people from universities, they network by nature and they go on exchange to foreign universities. The starting point was different. And they are natural with virtual tools. (Company I's Manager 10 March 2016.)

On the other hand, there was another angle to look at when discussing about the openness and international tendency of Finland. According to the "Hofstede's 6D models about national cultures" from The Hofstede Centre (2016), Finland scored 63 in individualism, was an individualist society, which partly explained that people preferred to be independent and to take care of themselves. Finland scored 59 in uncertainty avoidance and thus, had high preference for avoiding uncertainty, which also explained why Finnish people were often "shy". Some other comments from the (Finnish) informants towards this: "It is the challenge because we are fairly reserved and we are not very open. We like to be in our own home and not to talk to strangers and things like that". (Company C's Manager 10 March 2016.) Or "(international or interpersonal skills) are definitely something Finns need to do more. I think so. You may get better and be more open nowadays. But I still think Finns need to do more of that". (Company C's Senior Representative 24 February 2016.) And it was put by Hofstede (1997, 237) that: "yet, people from some cultures will cooperate more easily with foreigners than others". There was a high chance from cultural perspectives that, Finnish people or the Finnish culture in general, did not appear to have the

natural incline towards intercultural competence, interpersonal and international skills. It appeared to be efforts to be made. And if it did not perform to be a nature, education and training must have or should have played a role.

Nevertheless, it could be dangerous to be overconfident in certain assumptions, especially when it came to people hidden skills. The expert's opinion was: even nowadays, there was massive information available and people got easy access to knowledge about other countries, the reality and the actual facts of experience could be totally different from what people read or saw somewhere else.

Another common practice was, personal experience was often sought for and relied on as a guarantee. Specifically, the "experience" herein was put into the context of, very often, international experience of overseas studying or working for a period of time, which was later relied on for a belief of good international competences. However, again, it might need extra attention. The expert's opinion was:

The importance of culture understanding, culture differences and their meanings to business are more aware, but it is not fully understood about the important areas that you need. All the time, I hear companies say that this person has worked in this country or had business trips there. He knows what the culture is. Well, I think the more you travel abroad, the more you work abroad, the more feelings you will have and of course to certain extents, it may be true. But it is a different level to understand the differences between living in a country and occasional business trips or meetings. It is important to a level that, you can throw away a whole meal if you are just not sensitive enough about the culture of the other party. (Expert 18 March 2016.)

In reality, living or working abroad might provide the knowledge about the culture, but it might also not. International experience gained through travelling or business trips could not guarantee good international competences. From one hand, it was stated by many studies that first-hand experiencing was the strongest way for a person to learn about another culture and acquire certain international competences. On the other hand, it could be a different story if the person living in the culture but neglected the surrounding and was in favoured his own world. It was put by the expert that: "a person that succeeded in one country does not mean that he will succeed in another country. And if the person himself relies on that, it is dangerous". (Expert 30 March 2016.) The impact and contribution of personal experience could not be refused. But again, it could be an uncertain way to rely too heavily on people experience as the guarantee for success and with the oversimplifications of other factors. The analysis herein about assumptions and experience is also related to the later content of actual company practices and preparation.

Towards the preparation for IAs or global teams, despite the wide variety of company practices, from very well-thought processes to no preparation or anything in between,

companies nowadays, in general, were quite well-realised of the need for preparation. Especially with IAs, more and more issues became well seen to them as the needs for more attentions paid. Even though the awareness was there, the practice of “learning on the job” was very commonly referred to. It might be understandable in the cases of inexperienced companies where they did not have much in-hand experience about the field and would need to experience and adjust on the go. But it was also the common practice of even experienced companies. They might agree that beforehand preparation was ideal and cost-effective in many cases. But to their perceptions, everyday there could be new things coming up and there might not be any solid preparations available for every scenario. It was more of important to have the willingness to deal with problems on the go. There was even a case that problem-shooting skills were the crucial ones expected. Thus, generally companies were not seen to attempt tremendous efforts into preparation for issues or prevention for problems beforehand. Problems might be rather passively dealt with when being faced. It might or might not be their ideal desires, but it was their common practices. Also, it could be seen that, there was often gaps between management perceptions or awareness and actual practices.

As mentioned in the discussion of the research methods (3.1), findings from qualitative research should not mean to be representative in the statistical sense. The research should be valued by the insights gained rather than the overall conclusions for the entire market. Also, the market towards the specific topic varied dramatically. There might not be any precise measurements to conclude on which business sectors or types of companies would manage better practices than others or would pay more attentions to cultural impacts for example. Even size was not a good category. Big-sized companies might own better capabilities and resources than smaller-sized companies, but it could not be guaranteed for better supporting policies provided. It might need many elements joining to influence on a company’s people policies. Manager visions and personal experience with IAs or multicultural environment could have huge influences, with the detailed case brought up in the later content. The expert also shared the same point: “it varies a lot, the more companies care for their people, the more attentions they pay to tailor their policies to the needs of the employees and their expectations” (Expert 18 March 2016). It was also important to take into consideration that Finland was chosen to be the specific market of the research. The research results should be taken into consideration only within the context of the Finnish market.

In reality, success is a complex component created from multiple combinations. Success in general, is not easy to define. In business reality, there are always multiple criteria, perspectives or angles that create a successful work and perhaps, it could be the chance that

some of them were not reached or did not strictly belong to the research demarcations. The research was chosen with some specific areas to focus on, especially the areas that served the case company's benefits. Meanwhile, the reality of "success" and success factors might be more complicated.

To sum up, the general findings discusses in the sub-chapter 4.1. More specific discussion about each type of IAs is presented separately in the next contents. The analysis in this section also has strong connection with the later discussion.

4.2 Current management perceptions and practices in international assignee preparation (IQ 1)

Dealing with IAs, especially traditional expatriate assignments, among all the researched cases, there were ten companies practicing this type of assignment. There were two cases (company D and G) of medium-sized companies with up to a hundred employees. The rest of them were big-sized companies with hundreds or thousands of employees.

4.2.1 General preparation and training

Preparation and training offered were varied from company to company. Normally, the preparation was personalised and dependent on certain assignee circumstances and needs.

There was only one company, among all the cases, with the best practices and the most adequate preparation process for their international assignees. The evaluation of the company A's practices was based on the theory provided in the sub-chapter 2.2. Company A provided their assignees with all the recommended preparation by the theory. With long-term assignments for at least one year, the preparation was given in both home and host country. Assignees were provided with briefing about taxation issues in the home and host country prior to the assignments. The company assisted with work resident permit issue. Pre-visit to the host country was organised before the assignment began. There were also intercultural and language training before and during the assignments. The company also supported in removal and housing arrangements.

Then, in the case of company B, assignees received a couple-of-hour cultural awareness lesson in the home country. The rest of the preparation was outsourced from a relocation service in the host country, with short language training, a service person dedicated to take care of all the paper work and housing and school arrangements for assignees' children.

There was another group of companies C, D and E. These companies focused on providing work-related preparation. In specific, company C provided language training, technical training and work-related performance training. They also provided housing arrangements. Company D provided 2-week orientation about the company corporate culture and how to talk about themselves. So that the persons had thorough understanding about the community they belonged to, about the work tasks as well as other needed orientation on supporting resources. And company E provided one-day training about clients (for the purpose of IAs). The thing those above cases had in common was the thoughtful preparation for work-related issues. However, in comparison with the theory (2.2), intercultural preparation which was necessary for international assignees was left out. In the case of company D, it was interpreted that there was no need for intercultural training because the assignees had much international experience and the host cultures were considered to be similar to the home ones. If the host cultures were far-distant compared to the home ones, cultural training would definitely be considered. More detailed discussion about intercultural preparation is provided in the later content.

The rest did not provide training or preparation for their international assignees other than support in housing arrangement and other logistic practices. In some cases, a colleague in the host country would be dedicated to assist in daily concerns during the assignment. It was, however, needed to mention that, in the case of company E and F, two companies provided consulting service where people were expected to be skilful with expert knowledge and experience. Thus, training was not considered to be necessary. Furthermore, not only the preparation prior departure in the home country, but the local office in the host country also played an important role in assisting and giving orientations to assignees. The execution of IAs was often found to be much easier when assignees had the local teams alongside to assist throughout the assignments.

The expert expressed his general comment that, in practice, unfortunately, modest attention was paid to training or preparation for international assignees. The insights were gained from a relocation service office that: practical preparation, for example, logistic arrangements, correct procedures placed from legal, immigration, taxation requirements and social security were the ones most paid attention by companies compared to other preparation needs. Given that, those were the well-seen ones. The issues causing the most concerns from assignees while being in assignments were also the paper work issues and housing arrangements. Again, since the market could widely varied, thorough preparation could also be found in many cases. And a good sign had been seen from the

market, better awareness towards international assignee preparation raised among companies.

4.2.2 Preparation and support for assignee families

Providing preparation and support for not only assignees but also their families was significantly emphasised by experts of the field and was also importantly mentioned in the theory (2.2). Family, especially spouse satisfaction stayed on top of IA success factors. Because family members were, in most cases, did not manage any jobs in the foreign countries and were the ones to face daily overseas living situations. Unhappy spouses might lead to the failure of assignments and put assignees into uncomfortable situations. The informants researched and practitioners of the field appeared to have deep understanding about the importance of taking families and spouses into consideration along with the assignment decisions. However, there were often gaps between awareness and practices in reality. In fact, practices towards support for assignee families also varied. In case of the medium-sized companies, even though the need was considered, the costs of relocating families could not be afforded. In those cases, the assignees still somehow on their own managed the situations and relocated the families with them.

The majority of the big-sized companies usually took families of assignees into consideration. The most common policies provided were: the possibility to relocate families upon requests, housing support, travelling arrangements and insurance matters for the families. Specifically, the company A mentioned, with the thoughtful preparation for assignees, also provided families with pre-visit to the host countries, together with language training and intercultural training prior and during the assignments. In the case of company B that used mostly relocation service in the host countries, other than the location arrangements mentioned, families could also receive language training in the host countries. Other than financial support and location arrangements, neither training nor support was provided by the rest. And even the financial support was varied in each case. The bigger the companies, the bigger resources they appeared to provide for assignees and families. In the case of company C, they arranged housing and paid the rent, they also supported in finding school for children, paid for schools and daily travelling expenses. Insurances for the whole families and other travelling expenses were taken care of by the company. Other cases, among big-sized companies discussed herein, less financial support might be provided depending on each case, but the housing and insurance matters for assignees and families were still ensured. Interestingly, the case of company C, even though with huge financial and logistic support, training or other coaching matters for families were neglected. Especially, intercultural training to assignees and their families seemed to be the only thing that was left behinds by the company.

Since the important impact of family well-being and satisfaction on IA success was widely recognised from the theory to the expert side and the practice side, companies understood the need and tried to make efforts in providing support for assignee families. Still, it seemed that there were much development to constantly work on and several issues needed much more care.

4.2.3 Cultural preparation

From the theory provided (2.2), transcultural competences should be the core required for international assignees and cultural preparation stays at the heart of a successful preparation. The preparation should be provided for not only assignees themselves but also to the families. The preparation should be provided not only in the home country prior departure but also during the assignments in the host countries. Contradictorily, in practice, cultural impacts seemed to be very often oversimplified. It was also pointed out by Tarique et al. (2016) that, cultural impacts were often oversimplified by inexperienced enterprises; however, this mistake was made even by many experienced ones. This was also one of the fundamental findings of the research.

Within the research, there were only 3 cases mentioned about cultural training for their assignees. With company A, intercultural and language training could be given to international assignees and families prior departure and during the assignments in the host countries. Assignee preparation in general and intercultural training in specific was often tailored-made upon individual needs and circumstances. In this case, company A would assess the international assignees and the host cultures. Intercultural training would be given if it was found necessary. The intercultural training could be given by the internal HR department of the company or in some other cases, by outsourced service providers. Another case was company B where there was a short cultural lesson, but the assignees did not find it useful nor were interested in it. The third case was a short Chinese language course provided by company G, which was also believed to give some knowledge about the culture. In those cases, the training was provided by service providers. Even in those places that intercultural training took place, it was often a short lesson from a-couple-of-hour to one-day length. It seemed that this issue needed tremendous attentions and improvements.

Mobility managers, in general, had the awareness about the importance of cultural competences and the need to provide cultural training. However, cultural training was not provided to assignees, in many cases, because those issues were expected to be individually managed and the assignees were expected to be experienced with ready at-hand compe-

tences. Also related to the analysis about recruitment and selection in the section 4.1, it was very common among those companies that did not provide training, there was no need seen because they aimed for “the right people” from the first place as the result of their strict recruitment and selection processes. However, from the expert opinions, this was again the oversimplification of cultural impacts. Also, relying on the previous experience to ensure the success of the current assignments was the very uncertain way. As being analysed, a person that succeeded in one country in the past was not ensured to succeed in another country at present, when there were many things involved, such as everyday changes of the business world or the changes of the person’s circumstances. Not also to mention that, each country and its culture should have been taken into consideration at a more proper level.

In addition, it was interpreted that the need for cultural training would not very well-seen if the host cultures did not appear to be very far-distant from the home ones. Those cases could be, for example, the US (was believed to have a mix of every culture) or countries in Europe (with the differences were not vitally seen in comparison to those far-distant cultures, such as the Asian ones). The bigger concerns were expressed regarding the far-distant and unfamiliar cultures, for example, cultural training would be seriously considered for assignees from Finland to China. Sometimes, they might perceive that cultural attention was not emphasised by their business needs or it would be fine to ask for information from experienced colleagues. The expert opinions on this were: “not all assignees were as successful as they could be, if they were more aware of things or had more cultural skills” (Expert 30 March 2016).

The expert also expressed concerns that cultural matters did not gain as much attention as it should have. Herein, the “general cultural training” was meant for training on transcultural competences (with the definition provided in the point 2.2.3) and the “specific cultural training” was meant for training on specific information of specific countries. The expert’s message to companies was:

My message to companies is that, you should provide general cultural training to all of your employees, because you do not have to move anywhere to face the situations. You have to be culturally aware and understand that people think differently and operate differently. Then, if somebody moves to somewhere or if to the team come multicultural people, specific cultural training should be given. Starting with general cultural training, it should be involved in any kinds of training that one provides. (Expert 30 March 2016.)

Again, there were other mixed opinions and believes where intercultural competence was quite commonly referred to personal innateness or personality which might be very difficult to be trained.

I think it is an innate, somehow characteristics that a person is curious and open. I think even people who have not worked in international contexts just naturally get it. When they are thrown into situations, they are completely comfortable. They are interested and make it work. Then, there are those who even though have lived and worked in multicultural environments just somehow do not have the abilities to embrace it. (Company D's CEO 1 February 2016.)

It might also explain why recruitment and selection were important to companies. It was shared: "I believe that you are hired for attitudes and trained for skills. I always look for the right personalities and the right sorts of outlooks and then the skills come secondary" (Company D's CEO 1 February 2016). When being asked if they believed that intercultural competence could be improved by training, most of them agreed on the effectiveness. However, it was still preferable to have persons with natural inclines and good international backgrounds.

I definitely see that. I think, with people who have exceptional skills but do not have people skills, training is particularly important. But of course, it would be nice if they were naturally inclined and had the right skill sets. I always believe in educating and training in everything. But people who live in international environments, they just, it is just not new situations to them. The more international their backgrounds are, the better they are. (Company D's CEO 1 February 2016.)

Talking about training to improve on transcultural competences, some informants expressed their concerns that, somehow, training could not do all parts, especially with those people skills. To their opinions, cultural training might provide some awareness of the issues, but those who desired to improve their international skills still had to work hard on their own and overcame their own barriers. In other words, it might not be certainly ensured that people would have good cultural skills after coming out of training. Furthermore, some informants also expressed the concerns towards the effectiveness of specific cultural training. As to them, it felt very different between listening to the knowledge provided in training and experiencing the actual cultures. All informants believed that the most effective way to learn about another culture was to be in the culture and got the first-hand experience, which was also agreed on by experts and many other studies. From another point of view, one informant's own expatriate experience was shared. He first assumed that the host culture was familiar and had minor differences compared to his home one. He had seen some of it mainly through television series. However, he later on toughly struggled and came to realise that the reality was totally different. It showed that, assumptions, inadequate preparation and oversimplifications on cultural issues could leave unexpected suffers. Even if people would learn the most when being in the cultures, the preparation should have not been underestimated. When at least having the tools in mind to understand the roots of differences, they would find it much easier to embrace and adapt. As the expert put it:

Training can provide you something, of course it does not prepare you completely to go and succeed in another environment. But at least, you will not make the basic mistakes and you will have some understanding before you go to the country (Expert 30 March 2016).

Experienced people admitted that there would always be a culture shock. “Somebody is lying if they say that there is no culture shock” (Company B’s Manager 10 March 2016). There would be a culture shock to every new environment and even to the home one after a period of time. It happened to every person, even with experienced ones (2.2.3). The keys to cope were to understand the nature of culture shock and to prepare the suitable stages of mind. When its nature was understood, it was found to be much easier to admit, to overcome and to adapt. That was also what general intercultural training helped to increase in people’s awareness. Some people might have the abilities to figure out themselves, but training would get things much easier. And by that, catastrophes could be avoided and the assignment success was more ensured.

In general, HR people might have good awareness towards the need of cultural training. However, they did not normally have the decision-making powers to decide on the resources and budgets, whilst the decision makers might not see the need. It was figured out that, the matter of training provision was significantly influenced, most of the time, by the up-high managers’ visions, understanding and importantly their own experience in IAs or collaborating with foreigners. There was a very good example from company G’s manager, with his long career and experience in collaborating with foreigners, especially with people from the Asian cultures, he truly understood the cultural impacts and the benefits of understanding them. He shared: “to whomever, of course it is beneficial and important to know in advance as much as possible about the different cultures and how you can understand the other parties” (Company G’s CEO 8 March 2016). The company was medium-sized and cultural training was provided for every employee within the company. When being asked about the resource issues, the response was very uncommonly heard and it was stated: “it does not always take too big of the budget, at least to do some training and it does not need to be complicated” (Company G’s CEO 8 March 2016).

During the research, medium-sized companies usually claimed that they did not have resources for formal training like in big-sized companies. Whereas, big-sized companies claimed that, with their sizes, it would take such significant resources to provide formal training and it would also take dramatic time from the companies and their people. As there were always many developments to be considered, they needed to make sure it would worth the return on investment. Especially during the time of financial tightness that numerous companies were facing, training and marketing seemed to be the first two areas to be cut down. Then, the question was: to companies, would the professional investment

into their people be considered as a good investment? There was a good quote put by Ziglar (2015): “the only thing worse than training an employee and having them leave, is to not train them, and have them stay”.

Related to the points in 4.1, recruitment and selection in general took dramatic resources from companies. In practice, companies were often seen to also put significant resources into this stage. In contrast, coming to training, the resources were the big challenge that was several times discussed. But the actual challenge might lie on the unawareness of the benefits that training provided. Again, the expert opinions on this were:

In selection, it is a common mistake that too much emphasis is put into history. That is how it is always done. But really, you should look forward, especially now when the world around us, technology and everything is changing so fast. What does your success in the past tell you about the future? It does tell something of course, but it is not the guarantee. (Expert 30 March 2016.)

And to look forward to the future, training and investment into professional development might be the topic for continuous discussions and considerations. The view was offered by company H, it should have been a two-way process. While companies expected good quality assignments from their assignees, assignees might also expect good support and professional development from the companies. Learning should have been a constant process, especially when it was witnessing every-second changes, knowledge updating and professional developing were the urgent calls. Training and development could also be opportunities to reveal employee potentials and even much more than that.

Another big challenge raised was the matter of time. There was usually a lack of time for preparation. Assignees themselves could hesitate to receive training. It might need to involve better plans for career development where they were made well enough ahead to give adequate lead time for preparation. Also, companies could consider the use of mentors, personal coaches or consultants who had deep knowledge about the locals and would work alongside assignees on overseas assignments. This could be an efficient way to solve many problems at the same time, also would save time for the preparation in the home countries. However, this was often subject to huge service fees that again came back to the issues of available resources and it might often be considered for up-high managers only.

From another perspective, would it need to question the theory (2.2) for an update? The theory stated about the vital importance of cultural competences and cultural training in preparation. However, taking into consideration the Finland's circumstances analysed (4.1), people in Finland generally had good awareness about other cultures and were provided with many opportunities to accumulate international experience during studying or

working time. The young generation was also believed to be more comfortable with multi-cultural environments when being in the open global world from the starting point. Would it be a scenario when people had transcultural competences by nature and that cultural training would be less important compared to the previous time? Would cultural training be out-dated someday? Would it also be the reason for why companies were doing fine with their international assignees and global teams even without training?

There might be several angles to look at and the answer might not be always visible, especially with complex issues like these people matters. It herein only wanted to provide some other objective opinions. It was put by Hofstede (1997, 238) that: “for the next few hundred years, countries will remain culturally very diverse. Not only will cultural diversity among countries remain with us: it even looks as though differences within countries are increasing”. The experts also believed that cultural training would always remain its needs, even when the world was getting smaller and closer. It might not always be the matters of outside environments. It might remain at individual matters. Empathies with differences might not be embraced, even in the environments that were full of diversity, if the person chose to be in favoured of his own ways.

4.2.4 Success factors, challenges and developments

The discussion brings up, from the company perspectives, the keys to success of IAs, the challenges they were facing and the developments desired. The discussion may not cover comprehensive issues. It is rather collected from the informants’ opinions.

Success factors

The factor shared to be one of the keys to success of IAs was assignees’ self-motivations towards the overseas assignments. When having motivations and interests, people might find it easier to cope with differences and difficulties of new environments. Companies normally had internal openings for each IA, people applying for the position also showed their interests. By that, companies could somehow reduce the risk of failure. Other success factors were: open-mindedness, flexibilities, curiosity, realistic expectations, together with assignees’ toughness, self-awareness and self-assessment. Because in the end, it would be the assignees themselves to cope with any surprising factors, differences or difficulties of the foreign environments.

It was also believed that the quality of preparation could influence on IA success. People should have had adequate knowledge towards the needed preparation, not only about practical arrangements but also about competence and knowledge preparation.

About necessary and useful skills for IAs, the ones mentioned the most were: languages, interpersonal skills, work-related expertise, personal experience and time management. It was believed that good team support, for example from local teams or local managers, was very helpful. People also agreed on the importance of market knowledge and the understanding about local cultures, especially for newly launched businesses in new markets or those operations that were hugely dependent on local cultures and legislations. Furthermore, IAs required people with different skill sets and sensitivities. Many cases when assignees sent from HQ to local units, assignees should have perceived themselves as not only job holders but rather HQ's representatives. They were expected to transfer the ways of working, to make use of the expatriate time and to create connections and values for the companies. On one hand, people were supposed to be representatives and should have had the abilities to create values; on the other hand, people were in other countries with the cultures they might not be familiar with, they had to learn the ways of working to adapt and to avoid unnecessary attentions. And what would help were, for example, clear clarifications of roles and expectations that were officially informed to all parties including the assignees, the home offices and the host ones.

Companies also understood that working in other environments could end up with stressful situations and should have made their availabilities in offering timely support, mental support and career development. There were numerous stars needed to be aligned. The key was to get many moving parts as right as possible. They also did not deny on the contribution of luck sometimes. Perceptions about successful assignments, one example:

From the company perspective, I would say that we have chosen the correct person for the correct position so that the business need has been fulfilled and we have been able to provide the support in the host country that has been required. Then also, we have happy assignees returning back to the home country and home company. (Company A's International Mobility Manager 22 March 2016.)

Challenges

Big challenges laid on the unawareness of the importance of preparation, followed by the lack knowledge about what needed to be prepared and the lack of time and resources for adequate preparations.

The challenge is about the legal requirement, immigration, taxation and security. We need to be aware of the legal requirements or if the legislation is changed. Then of course, we need to be able to find the correct person for the assignment and to make sure that all the assignment administrative tasks are taken care of. So that, we are able to, from the business perspective, smoothly transfer employees from one country to another with no interruption in our business. (Company A's International Mobility Manager 22 March 2016.)

Because companies, most of the time, sent assignees abroad for their global operations and expansions, the knowledge about the locals would be crucial in order to find the pace of different countries and address them accordingly. Another challenge laid on the issue of updating and keeping updates between overseas people and the home office. Obviously, people abroad could not have the knowledge about things going on at the home office and vice versa. It really required structural briefing, updating and close cooperation between HQs and local units. In the end, the distance and time difference was the major difficulty, which here again came back to the matter of difference management.

Differences often created difficulties, especially in term of languages. Expatriates sometimes experienced some hard feelings of being left aside. Typically with unofficial opinions or emotions, local people often switched to the local languages. It absolutely took time and efforts to learn the local norms and to be able to integrate.

Very often, most of the effort, if there was any, would be put into the pre-assignment preparation. However, the repatriation might even be harder with assignees, which was shared by the informants. Things might have been expected to be the same, but in fact, they were not. It would be needed for reverse culture shock preparation and adequate repatriation plans.

Developments

Even from companies managing international workforce and IAs, there was often no cultural material available for use. Thus, it would be helpful to have some sorts of internally used cultural materials. They would be interested to see, for example critical points needed to precisely address, cultural tendencies and behaviours for attentions, differences and difficulties, etc. A handbook putting together experience and insights about other cultures could gain huge interest and great use. People often paid more attentions to cultures that seemed to be unfamiliar. From the Finland's perspective, it might be the Asian cultures for example.

In other cases, they would like to have a centralised databank system gathering useful information, such as people's experience and difficulties, foreign country knowledge or any other information that was beneficial for international assignments. At the moment, they, most of the time, could only ask around. It would be very helpful to organise all the experience and knowledge into one dynamic source, then actively share, update and make use of them.

As mentioned, international assignees would expect well-prepared agreements with clear roles, purposes and expectations described. The agreement should have been made official with all three parties to avoid any contradictory expectations. Mobility and relocation issues had become more complex in the recent decades. Companies, whenever with enough abilities, might also prepare for employee career development plans in which relocation was a part of career moves. Companies enabled to unlock their employees' potentials from an individual approach and sustainable perspective.

With some cases, they were not interested in specific cultural training. Instead, general cultural training providing mindful tools to understand and cope with differences could be a much better approach. Also, there could be somebody who was formerly on assignments in the foreign countries to openly share about their experience and difficulties. In many cases, the sharing of tips from colleagues that were formerly at the same positions was a great help.

For spouses and families, it was wished for some social networks for them in the foreign countries or the support in finding them. Also, it was mentioned about the implementation of psychometric tests for assignees and spouses. The tests might not necessarily affect the relocation decisions, but rather evaluate and assess their abilities, adaptabilities, strengths and weaknesses towards mobility issues; thus, give ideas about possible challenges and improvements. This also helped improve self-awareness and self-assessment in the personal development process.

Repatriation issues and repatriation plan were to be put to a more proper level of care. Repatriation plan should have been made early enough. And repatriates found it easier to re-enter the home companies with the feelings of being welcomed back. In some cases where there was not yet an HR department taking care of mobility matters at a corporate level, they desired for a centralised one. The development desire from the experts was that companies would provide more training for their employees, people in IAs or of multicultural teams.

To sum up, the sub-chapter 4.2 creates the in-depth discussion about current management perceptions and practices in international assignee preparation. The focused issues are: pre-assignment preparation, support policies for assignee families, cultural preparation, together with success factors, challenges and developments.

4.3 Current management perceptions and practices in global team preparation and diversity management (IQ 2)

Among the researched cases, there were ten ones practicing this type of assignments. Companies in reality managed different practices of global team. Even though they all managed multicultural teams, international work contacts and cooperation with foreign people or foreign organisations in a frequent basis, only more than half of the cases strictly fitted to theoretical definition (2.1) where the relationships among team members were fairly equal and close. Depending on different relationship natures, their practices varied. The closer team members coordinated with each other, the more issues were. Again, the market dramatically varied in dealing with global team preparation and diversity management.

4.3.1 Multicultural diversity

With the burst of globalisation, today's global businesses could get closer than ever. Cultural diversity became a tropical matter that gained and should have gained attentions. Cultural diversity within international companies did not appear to be a surprising aspect or a newly come concept. Cultural diversity was formed by multiple cultures, nationalities, believes, ways of working and so on. Beyond that, a diverse workforce or a diverse environment was created by the differences in each person, in their personalities and other factors. Diversity created chances or challenges? It might vary according to different points of view.

Diversity, in general, was considered as a positive factor that was welcomed in all the cases. They appeared to enjoy the beauty of diverse environments which offered rich sources of ideas, knowledge, experience and valuable contributions. Diversity might also influence differently on different businesses. For example, with agencies or global-wide network organisations, diversity was an important attribute of their corporate images. It represented their openness and appreciation for every country and the eagerness to create cross-border connections with global clients. It represented open working environments in which people had opportunities to develop their international experience and open-mindedness. It brought up bigger opportunities to seek for suitable talents and eliminate geographical border limitations. When releasing border limitations and welcoming diversity, companies were more likely to get access to a bigger source of global talents.

Diversity had proved its values, but it did not only have the positive side. When in fact, it was expressed that: "diversity is also surprisingly difficult" (Company D's CEO 1 February

2016). It then came to the key question: how could we manage differences to get the best values that diversity created and in practice, how were companies dealing with it?

In reality, although diversity was welcomed, there were still some limitations, for example selection bias. Looking at the Finnish market as the whole, companies with international workforce and diverse working environments were still at a limited number. Moreover, did those with international workforce and diversity truly benefit from it?

4.3.2 Preparation, training and support

The content discusses about the practices in preparation, training and support provided for global and multicultural team members.

Preparation

In international companies where the working environments were naturally international, cooperation with foreign units or organisations was part of their daily work. The term “preparation” for global, multicultural teams was not clearly recognised. People got the first training for their jobs, other than that, no other “preparation” was mentioned.

Still, there were two cases that preparation was well attempted. Company I managed a team of about 10 people and they were widely dispersed in Europe, America, Australia and Africa. In the beginning, they did joint meetings and brought every member to Finland (the head-quarter) for the project kick-off and the briefing of the common goals and expectations. Later on, with the recession of financial resources, they could only bring new members to Finland for couple-of-day orientations before the persons started. Company E tried to give beforehand as much details as possible, sometimes long emails with numerous attachments or sometimes intensive discussions and joint meetings. They also made effort into forming the teams as small and effective as possible, in which they wanted to ensure that people in each team had the relevant knowledge about each country or area needed for the projects.

In some other cases, the “preparation” could be just some informal discussions among the team before the actual starts. However, they all believed that the quality of preparation substantially affected the quality of the jobs. Good preparation informed every member about the goals and expectations, the directions of executing and other mutual agreements. Discussions before the actual work also helped cultivate the relationships and trust among members, which was beneficial especially for widely-dispersed teams that rarely

met face-to-face. The benefits of face-to-face meetings were well seen, however, it always came with several challenges to organise.

The perception of preparation was discussed in the point 4.1. Again, among several management issues, it might be impossible to prepare for everything at the same time. Thus, companies expected their people to be open for differences and challenges and to be able to deal with things whenever they happened.

I am not just talking about cultures or nationalities. It is everything you put into: call, orientation, belief, religion, etc. For me, they are part of it all. It is all of those bundles of things and I think it is the challenge. Really being in this kind of organisation and being prepared to that kind of picture, I do not think there is such thing that you can extremely prepare for. No, because I would say every day we would have something new about it, I think the main thing is to be really able to accept and be open to it. (Company H's Manager 22 March 2016.)

When being asked about the effectiveness of addressing problems on the go, one opinion was: it could be terrible to deal with things spontaneously; because if things were foreseen or prepared, it could save dramatically inefficient costs and resources.

Training

As discussed in the theoretical part (2.2), people with transcultural competences were able to understand, respect and successfully coordinate with others from diverse cultures and backgrounds. However, in practice, cultural training was not often provided for global, multicultural teams, neither was other training with the aim of global multicultural team management. Dealing with the question of diversity and difference management, it appeared to be a big challenge throughout. It could be seen that diversity and difference management did not remain as the prioritised management issue of the majority that were dealing with daily diverse situations, even with the one managing people from 20 nationalities. And even with the cases that soft skills were the core working ones, training was not provided and they rather referred back to the selection process from the labour market.

Provisions of formal training might face several difficulties. In many cases, team members within a team were not often fixed but were many times reformed upon different projects. Training arrangement for global teams was a challenge where team members were widely dispersed and companies could not always afford the costs to get people together.

There were only two cases of company G and H providing different types of training for their managers and employees, such as in languages, communication and negotiation. Especially, various programmes in leadership, management development and team man-

agement were available. They appeared to make good efforts into professional development for personnel. Company H interpreted that they also attempted to manage differences, while they believed that it could make a difference with training.

Similar to the previous discussion in 4.2.3, cultural competence was not only seen as the individual innateness, but there was also a sceptical question of how to take to training those people who were not yet being aware nor saw the need. Given that, normally people who already had the awareness towards the issues, they saw the need and came to training and vice versa. Direct managers could contribute to the improvements by giving feedback, clear expectations or even strong reactions against those behaviours that were not encouraged or allowed.

When the need of intercultural competence for global teams was asked, it was believed to equip team leaders with core skills to successfully manage multicultural teams. Whereas the competence did not appear to gain a critical role for team members, it rather belonged to ones' own development interests. Some did believe that good intercultural competence assisted in building better rapports, creating friendly and lively working environments and thus, motivating others. Some others did not refuse the impacts but it did not appear to be critical for their work tasks. Especially in coordinating with overseas partners or team members, it might be only time to focus on the core tasks. They were happy with, generally, the "basic relationships" where people treated each other with respects and professionalism. This factor could probably be affected by the country's cultural norms.

Good rapports encouraged people to make bigger contributions to the teams. The importance of trust was commonly agreed on: "I think any moments invested in building trust will pay off" (Company D's CEO 1 February 2016). However, in fact, it was up to individuals to invest into the issues which were kept individually and informally. People were trusted to fulfil their global team missions by their own self-awareness. Do they appear to count on a certain degree of luck for the success of their global teams?

I do not know, it is some kinds of trust [...] It is interesting, when we meet face-to-face with our international colleagues, there is something combining us straight away. I know other companies talk about the company cultures as well. We do have quite strong company culture. We do not know what it is but somehow, it is tangible when we see people, even though the backgrounds can be very different. (Company E's Senior Representative 2 February 2016.)

The majority saw that difference and diversity management was the big challenge throughout. And to them, it might not be about making rules for things to be done in certain ways or how to address issues, but it needed to start with single behaviours. "Respect" was the key quality several times mentioned together with "open" and "transpar-

ent". "When you work with someone who is different from you, you give them your full professional respect and trust; I think that is the highest level of tolerance" (Company D's CEO 1 February 2016). "Sensitivity" was also the key one in multicultural contexts. It was put: "it makes a difference if you recognise quickly that, one single element or one single staff could make an impact on others, in term of behaviours" (Company H's Manager 22 March 2016).

It was expressed in one case the difficulties in managing cultural differences, especially when the teams were widely dispersed and the impacts of the locals were strong. In other cases, despite the big diversity, not much difference was seen within the teams, especially with co-located teams. It might also relate to the value of corporate cultures. All companies valued their corporate cultures and quite common in recruitments, they sought for people with the right fit. When coming to the team, despite all the differences, people might be expected to fit into the team. The learning from the team might play a more important role than formal training. From on hand, certain communities needed to have their own cultures to form tolerated behaviours, from that the common ways of working were defined. It could be a wrong kind of difference, if persons refused to obey the rules, just because they were different. However, on the other hand, were diversity's advantages and opportunities to explore different people's potentials missed out? Were differences passively dealt with by homogenising rather than making benefits out of them? Was that another oversimplification of diversity? It reminded about the discussion of Professor Maznevski (2007) in the point 2.2.3, about the issues of unifying differences. Here to mention again: it might feel safe, but it would lead to two mistakes, that outstanding performances offered by diversity would be missed out and those who could not force themselves to follow the dominant norms of the teams would be demotivated and frustrated. Her message was "one, if you've got diversity you should use it, the second is that if you want high performance you should use the diversity you have to get there" (Maznevski 2007).

With issues of global team management, things seemed to be managed at an individual and informal level. Each individual understood the importance of self-study and self-figuring abilities. They might find their colleagues for help when needed. In the end, people did not find any big issues with their team relationships nor problems from the cultural diversity. However, from an individual perspective, it could have been very difficult. It was shared by one informant who was from a different culture than most of his team members. In the beginning of the job, he found it very stressful and insecure. He usually had many wonders about the others. He also wondered whether his communication and transmitting were understood correctly. Because, most of the time, he assumed that things were cor-

rectly in placed, but in fact, they were not. The more he worked with the team, the more he got used to it and things became better. Even though it always required time to find the common pace and that things hardly worked smoothly from the very beginning, by the expert, it was put:

There were various types of investments. If you have a new team, just a couple of hours, get together with some cultural stuffs, definitely it will pay off. They will get to become a team much faster and they will avoid disappointments, irritations or if somebody does not keep his promises, etc. People can do without training, but things will get much easier when they are provided with tools in their minds to understand how people in general operate, without all the time wondering "why". (Expert 30 March 2016.)

Even though formal training was not officially offered, in many cases, learning support could be offered upon requests. For instance, companies might support employees in learning new courses of their interests or the employees could also make requests on types of training they wished for.

Support

Support for global, multicultural teams was offered at the individual and informal level that was normally from colleagues or direct team leaders. In fact, team management issues were also dependent on different account managers or team leaders to take care of their team development. The multicultural and diverse factors, in practice, were not focused on but were rather neglected and they were treated as normal teams. Differences, however, did not only arrive from multiple cultures. They were already there inside each person with different backgrounds, personalities, ways of thinking, believes and so on.

Working across time zones could mean, when a team in one country could go home, another team might still be at work. Whilst, most of the time, teams needed timely assistance from each other, especially with on-going projects or campaigns. Thus, good rapports with team members gave people much more flexibilities and commitments, shared by company J. Also, easy-going atmospheres absolutely reduced the level of stress. However, even the impacts of team rapports were believed, not so much effort was paid in cultivating relationships and building rapports. They always appeared to be too busy that could only give time for their core businesses.

The common practice to improve team performances was anonymous feedback and survey for team mates and team leaders. Some companies did it every six months, some did it monthly. Company F even did weekly team meeting, weekly feedback and survey; however, it was said to be the requirement of the business procedures rather for the purpose of team building. Employees of the company were provided with regular personal devel-

opment tasks. In general, regular feedback and interactions among team members were believed to better harmonise the teams.

In the case of company F, each team member had a personal profile describing his/ her personality so that it was easier for them to understand each other and to find the most suitable and effective ways of working and communicating. As the minority, companies with psychometric assessment tools had the norm groups of each country so that people could also see possible cultural differences.

Companies valued their corporate cultures. The researched cases appeared to pay much attention in defining and emphasising on their corporate cultures. Some of them also had annual tests for employees to define the companies' cultures.

4.3.3 Success factors, challenges and developments

The discussion brings up, from the company perspectives, the keys to success of IAs, the challenges they were facing and the developments desired. The discussion may not cover comprehensive issues. It is rather collected from the informants' opinions.

Success factors

The critical keys to success of multicultural, global teams, mentioned by all the cases, were: first goal-orientations, clear goals and expectations; second same direction to the goals and third team ground rules. Preparation was critical. Planning, discussing and making basic agreements from the starts of assignments would make a distinctive difference.

We work together, go in the same direction and celebrate our differences. Everybody brings in their different views. We tell people this is the goal and how to get there. They will use their strengths to get there. That is the beauty of having different people coming in. Someone is a technical wizard, someone sounds wonderful on the phone. Use what they are best at! (Company D's CEO 1 February 2016.)

Effective communication was crucial. All should have been transparent, open and clear. And different opinions were encouraged. Always, team members should have been oriented with the shared goals and the differences should have been used for the benefits, not the burdens. Sometimes, it was important that each person was able to devote for the team achievements, rather than their own benefits or what they might have gained in the past. Global team members should have been available across time zones to check on the progress. There were always difficulties in every work task and no one could master in every field, the teams needed good bonding, empathies and support each other to achieve the goals. Also, they should have been flexible in dealing with difficulties and dif-

ferences, while good rapports contributed better flexibilities and team engagements. In multicultural and international contexts, extra sensitivity would be the bonus.

The best way to tackle problems and avoid conflicts was to raise it up immediately, so that any possible problems could be solved right away and walked through without any harmful feelings. Managers or team leaders should have encouraged their members to open up and raise their voices, especially in disagreements or conflicts. They should have been able to recognise if things went wrong in order to execute promptly responses. It was the challenge for managers to be able to “face the bully and set ground rules”.

Everyone should have been given with opportunities to equally contribute. They should have been kept involved in one plan and where the team was going. It might also be important that members of global teams were given with credits for their work and the recognitions were made available for their local managers. The businesses themselves should have created opportunities, in a frequent basis, for team members to interact with each other and discuss about differences, difficulties and developments. By that, they were more likely to create smooth working procedures and minimise misunderstandings.

Challenges

With global teams, the biggest challenge laid on the difference in time zones and locations across different units, for example it could be very difficult to set a meeting time that suited everyone. The difference in language and the use of English which was not the mother tongue of the majority created possible misunderstandings. While most of the time they had to deal with words, the same content might be understood differently.

Companies often oversimplified on international contexts and the impact of local cultures. It might not be a big issue if the team was co-located in a homogeneous environment. However, if the team was widely dispersed, each team member would at the same time bare the impacts of the team's and of his own local culture. If this issue was overlooked, it might create conflicts and stress on a person, which could even lead to employee turnover. Company I's representative experienced the conflict when the team leader's opinions and the local manager's ones crashed to two directions. Also, the biggest difficulty with their global teams was the team member turnover. For about every six months, there was a person changed and a new person came. While the resources to arrange meetings and orientations (to bring new members to the HQ) was massive, they might need extra attention to stress issues, employee retention and motivation encouragement.

Another management challenge was to deal with different expectations created from different cultural backgrounds. Each person from different culture brought with them their own expectations on different issues. It was also a challenge to understand each one's personality and their cultural tendencies on, for example, how they used to solve problems or how they measured their values.

Company H mentioned the challenge in dealing with diversity laid on the capabilities of coming to decisions and finding mutual agreements. Furthermore, the critical question was: how to successfully pull together people expertise and match them with different kinds of use. The openness in of the team was something required to work on, especially the openness of the team leader. "You can have some people that really dominate the group with strong opinions on things. Just because they do not see the others, being open to discussion could make a big impact on the team effort to move forward" (Company H's Manager 22 March 2016).

It was also mentioned the challenge of trust. Especially with overseas partners, it required extra care. Expectations would need to be clearly stated and agreed between parties, because it did not seem to work well when expectations were only unclear assumptions.

Developments

Even with the tricky matter in providing training for multicultural and global teams, practitioners did believe that the provision of mentors or coaches could assist them in doing better jobs. At the moment, personal mentors were often available in big-sized companies for the issues of career development. Providing mentors, especially cultural mentors, could be the method to be considered in providing better support for people of multicultural and global teams.

Some informants also expressed their interests towards a wide range of training as the investment in their potentials and professional development, from which they believed that better performances to their current work could be made.

To sum up, the sub-chapter 4.3 creates the in-depth discussion about the current management perceptions and practices in global team preparation and diversity management. The focused issues are: perceptions of cultural diversity; preparation, training and support for people of global and multicultural teams; together with success factors, challenges and developments.

5 Conclusion

The chapter presents the summarised key findings of the research, together with some suggestions for the case company, followed by the evaluation of the research process, suggestions for further research and the reflection on personal learning development.

5.1 Key findings

In general, there was a wide variety of management practices towards the topic. Companies always desired to hire or select the right candidates with ready experience and competences for IAs, right from the beginning and as the result of the recruitment and selection process. This perception significantly affected their practices, for example in providing training for people on IAs or in global, multicultural teams. In assessing candidates, personal interview was the common practice of the majority. There was a challenge in assessing people soft skills, such as international skills, because they were often hidden. It might be subjective decisions made by the recruiters' feelings. The success of assignments was heavily relied on assignee competences which were again referred to the recruitment and selection process.

In reality, there were always several influenced criteria upon choosing a candidate. Some companies strongly emphasised on selecting people with good international skills and abilities to work in multicultural environments, some others might prioritise other criteria such as people experience or expertise. Interestingly, in the end of the process, they all had people with good international skills ready for the work. It was quite common that people with experience and expertise also owned an open mind-set and often came with good international experience.

In all the cases of global or multicultural teams, the team experience, in general, was satisfactory, while people did not really come across difficulties or conflicts. The team members were assessed to be very experienced, professional and internationally open; because they were strictly selected from the labour market.

Cultural competences and international assignee preparation

Very often, the competence was sought from international experience which was quite relied on for a belief of good competence delivery. This led to the oversimplification of cultural impacts. The oversimplification was very well seen with those cultures assumed to be similar to the home ones, whilst more attentions might be paid to far-distant ones. Intercultural competence did not seem to be fully understood with its right context, but rather

with the narrow meaning of the knowledge about other cultures. It also did not seem to have strong connections to other international or “interpersonal skills” to that most of the time were paid attention by companies. The lack of full understanding towards the context might also lead to the neglect of the issues. Cultural competences were commonly oversimplified and expected to be managed at individual levels or as the result of the selection process. Companies did not often provide cultural training for their international assignees, global or multicultural team members. This also applied to other training with the aims of global multicultural team management. Cultural competences were quite commonly referred to personal innateness which might be difficult to be trained. Managers, in many cases, believed in the positive impacts of training, still preferred to have people with natural inclines and skill sets. It was also believed that the most effective way to learn about other cultures was to get first-hand experience.

Recruitment and selection, in general, took dramatic resources from companies. In practice, companies were often seen to also put significant resources into this stage. In contrast, when it came to training, the resources were the big challenge that was several times discussed. The awareness of cultural impacts in doing business might have increased, but was still underdeveloped, especially in providing training. The matter of training provision was significantly influenced, most of the time, by up-high managers’ visions, understanding and importantly, ones’ own experience in IAs or collaborating with foreigners. The challenge was laid in the unawareness of the benefits of training.

One of the reasons behinds might be involved with the Finnish market where people, in average, were quite aware of other cultures and were provided with many opportunities to accumulate international experience during studying or working time. The young generation was also believed to be more comfortable with multicultural environments when being in the global world from the starts.

International assignee preparation varied from company to company. Companies nowadays were more aware of the need to provide preparation for international assignees and the impact of family satisfaction towards the assignment success. The issues gained the most attention were practical arrangements, for example, housing arrangements and paper work issues which were also the ones that seemed to cause the most concerns from assignees when being in assignments. The challenge was the unawareness of the importance of preparation and the lack of lead time for adequate preparations.

Cultural diversity and management

Diversity, in general, was considered as a positive factor welcomed by all the cases. The managers and companies appeared to enjoy the beauty of diverse environments, with a rich source of ideas, knowledge, experience and valuable contributions.

About the preparation for diversity with multicultural or global teams, companies did not seem to put tremendous attempt in preparing for the issues. They agreed that prior preparation was ideal and would have positive impacts. However, there might not be a solid preparation available for every business situation. Therefore, it was more important to have the willingness to deal with problems on the go and to learn on the job. It might or might not be their ideal desires, but it was figured out to be the common practice.

Diversity and difference management appeared to be a big challenge throughout. However, the matters related to diversity and difference management did not remain as the prioritised management issue of the majority that were dealing with daily diverse situations. Most of the things were managed at individual levels and were not seen as the needs to be formalised. Also, it might be differently addressed, according to different team leaders within companies. The support provided to team members were offered upon requests.

In the other hand, companies valued their corporate cultures and quite common in recruitment, they sought for people with the right fit. When coming to the teams, despite all the differences, people might be expected to fit into. The learning from the teams might play a more important role than formal training.

5.2 Suggestions for the case company

Listed as following were suggestions for the case company based on the findings of the research and taken in account the knowledge about service design (see appendix 8 & 9):

- As the lack of awareness is the big challenge of the market, there is a need to raise the awareness of cultural impacts and the importance of cultural competences, especially among up-high managers of companies and not only to get people who are already aware to be more aware and come to training but to make those who are not yet aware nor see the need to be aware of the issues.
- It could be a good idea to develop virtual programmes of cultural training especially intercultural training. The findings suggested that cultural competences were rather expected to be managed at individual levels. And sometimes, companies still provide learning support for their employees upon interests or requests. And there should also be the availability of the consolidated versions for those who do not have extensive time to prepare for the issues.
- Further cooperation with academic or educational institutions such as universities may enhances the opportunities to deliver certified cultural training programmes to

students. It first increases people awareness of cultural impacts and the importance of cultural competences. It second delivers good skills for students to be ready for their professional careers and to receive certificates. It also creates many advantages for both receiving and delivering organisations.

- Since many companies are not eligible to give assessments on candidate competences and will need outsourced service providers, further service on assessing people's transcultural competences or international skills can be promising.
- From the findings, among different types of cultural training, people were more interested in intercultural training which is rather general cultural understanding providing with general states of mind, for example, effective tools in minds for empathies towards differences, competences to collaborate effectively with multicultural people, etc. When it comes to specific cultural training, they will be interested in the sharing from people who were experienced with the cultures. In this case, the close network of experienced assignees and practitioners who can give presentations will be useful. Furthermore, people may be interested to see in the "Culture Compass" survey, the comparison of more than one country of interest.
- Further enhancement in providing mentors or coaches in different cultures to work alongside international assignees during their assignments is gaining and will gain much more interests and use from MNEs.
- Market insights are important to companies. Coherent and organised materials about each country can be of great use. Such materials are interested, with rather experience shared about: the mission critical solutions with the local cultures that are vital to business success, possible difficulties and suggestions to overcome.

5.3 Evaluation of the research process

It had been the big challenge throughout. The biggest difficulty laid on the accessibility of potential participants. Despite the thorough research plan, the risk management plan, methods to reach potential participants and together with the support from the case company, the difficulties in reality were still toughly experienced. It was indeed difficult to get participation from company representatives, especially when the research aimed at high-level managers and international big-sized companies. There could have been many hierarchies to reach to the expected managers and to receive the answers. However, with the huge efforts put in, the determination and the flexibility in adjusting to the situations, the target was successfully reached with the sample size of 16 respondents. The number of reached respondents could be seen as a very good number for qualitative methods, together with other criteria adding up the reliability such as the average length of interviews was one hour and the respondents were mostly up-high managers of companies and experts of the field.

It was gone through one big adjustment compared to the original research plan where the direction was adjusted a bit and the quantitative survey on employees was left out. The adjustment was made for a better conform and suitability towards the time limitation and the workload balance. It was the correct one, also in accordance with the bachelor's the-

sis' scope. However, the current research work with two issues of IAs and global teams would have been better to be chosen with only one focused area. Even with the adjustment from the original plan, the workload could still be seen as significant with 16 in-depth interviews. It took up to several hours to transcribe one interview. It required intensive working efforts and concentrations. In the end, it could be seen that the research was also successful in time management issues and reaching its targets.

There was huge effort made in ensuring the reliability and the quality of the sample selection. It was required with the unique samples and the thorough sample selection process was crucial. Throughout the data collection process, it was seen that all the reached cases were suitable with the research aims. The informants were mostly high-level managers or HR managers, together with 5 senior representatives with their first-hand experience and 2 experts of the field. It offered a good mix of management perceptions, experience and specialist knowledge, which enabled the comprehensive analysis from different perspectives. Even though, not all the cases of global teams could always strictly fit to the academic definitions and rather be various in forms, the researched cases were mostly good examples and closely fitted to the definitions (2.1).

It could be possible that not all the researched cases were the best representatives of the market, because participants were approached mainly through snow balls, networks and references. Also, regarding accessibility matters of academic researches and of an individual researcher, the willingness and volunteer to participation was crucial. Other companies that had appeared to be more representative were also approached by open invitations, but they refused to participate. And again, even to find companies so-called "representative" could have been the challenge because the market varied dramatically. It would have required detailed insights about the companies in advance.

During the whole research process, many reflective discussions were arranged with the case company's representative for feedback and reflections. Through that, numerous valuable feedback was acquired, which opened up suggestions for different angles and perspectives to look at. It also made sure that the research was carried out in the expected directions. It had been the precious learning process, not only about the feedback received but also with the insightful understanding and knowledge discussion with the expert of the field.

Impact of the researcher

The researcher herself was an expatriate in Finland. Being a non-native person, there was a major difficulty with her limited network contacts. Using English rather than the local

language might be the barrier for people to participate. It might also lead to the issues of misunderstanding and misinterpretation. The limited understanding about the local culture of the researcher might have affected the study results with possible bias from her own experience. However, it might also be the advantage. Being the expatriate might bring some of her own relevant knowledge, understanding and experience to the research analysis. The researcher also held objective points of view without being in favoured with the local culture.

All in all, even with many improvements to be made which is presented in the later content, the research goals and targets were well achieved in the good time management, with the good results achieved - insightful updated knowledge about the market's current practices.

5.4 Suggestions for further research

The research mainly focused on management perspectives with most of the interviewees were managers or HR managers. It could be a development to, at the same time, do qualitative research on managers and separately for example, quantitative survey on employee perspectives. It would also create a more comprehensive analysis and possible comparison between manager and employee perspectives.

The accessibility towards companies, especially high-level managers has always been a big challenge of academic research. For future studies, collaboration with big research organisations could create better sample accessibility and reliability. It would be better to choose with a specific industry, business sector and company size for a better benchmarking among samples and even a better sample size.

It would create more values to go deeper into and choose one specific type of assignments with certain specific purposes. Also, global teams are actually practicing in various forms with different business relationships (client/ manager – employees/ colleagues) and the different level of closeness among team members required by the jobs. A deeper look at each case with more precision would create better reliability. However, it would then raise the question of sample accessibility with the requirements for thorough insights of the company circumstances in advance.

Based on the results and insights gained, it would be possible for further research in productising cultural packages and developing services, specifically for the case company.

5.5 Personal learning development

The topic of the research, which was about IHRM issues, was not very familiar to me before the thesis. However, it has been proved to be a tropical issue in the decade of accelerating internationalisation and it still requires significant effort in further analysis and development. It was truly an eye opener and the opportunities for me to study about another useful and interesting area. There was also a chance to access to many academic studies and to have a general understanding of how theory and reality could be differed from each other. The in-depth academic knowledge and the understanding about the topic in practice were confidently acquired. Also, the academic reading and writing skills were hugely improved. The skills and knowledge in carrying out research in general and market research in specific were tremendously developed through the practicing and learning process.

The research was indeed a challenge with the big workload to manage, the time limitation and many difficulties regarding finding and accessing potential respondents. Not only my academic knowledge and skills were improved, but it was also a valuable journey to develop my mental strength and soft-sided competences. It was required for a strong mental health, a consistent determination and a consistent performance throughout the four-month journey to achieve the final results. In addition, I learned to effectively manage my own project with effective time management skills and effective planning and targeting skills for each stage of the project. The thesis was a big challenge that I determined to overcome. Self-encouragement throughout the journey to always remind myself to concentrate and never give up, stress issues and patience practice were well managed and controlled. Also, being flexible and always keeping track on the progress for tempting adjustments were the things that I learned.

Doing a commissioning thesis, even though it was a challenge to meet expectations in both quality and time, it was a valuable opportunity to learn how to collaborate with companies, to have exciting discussions with the representative and very much other practical learning that could not be offered from schools only.

More importantly, during the project, I was receiving massive support from the case company, which truly encouraged me to achieve the best possible results. It was the valuable opportunities to reach, to talk, and to be in touch with many company representatives. And thus, it hugely widened my networks. By that, my skills and confidence in contacting companies, following up and keeping track on all the contacts, professional manners in emailing, phone calls, etc. were effectively practiced and improved. Also, it made me understand the tremendous meaning of cooperation and support, because there were many

things that could not be done by an individual. With the difficulty in accessing companies, the help of people in referencing their networks which were important ones to them truly meant precious. It got me to deeply experience and understand the difficulties of doing academic research, thus I would make myself available for other research work. Overcoming challenges enabled me to learn and to be stronger, to get out of my personal comfort zones and to gain more confidence. On the other hand, it was the exciting journey to meet and talk to people, to visit different company premises (which was another eye opener to me), to understand about management expectations for potential employees and their values (which were my personal interest), to get my name known and increase my publicity, etc. All of those things were surely beneficial for my career development. After the thesis work, I am definitely much more mature, grown-up and stronger in all the criteria of personality, competences and academic knowledge.

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Appendices

Appendix 1. List of interviewed cases

Case	Size	Business	Representative	Date of interview	Length of interview
A	Big	Manufacturing	Int. mobility manager	22 March	30min
B	Big	Communication	Manager	10 March	1h
C	Big	Broadcasting	Manager	10 March	1h
C	-	-	Senior REP	24 February	1h
D	Medium	Networking	CEO	1 February	1h 10min
E	Big	Mgmt. Consulting	Senior REP	2 February	1h
E	-	-	Senior REP	2 February	1h
F	Big	Mgmt. Consulting	Senior REP	6 March	45min
G	Medium	Wholesaler	CEO	8 March	1h 20min
H	Big	Chemicals agency	Manager	22 March	45min
I	Big	Engineering	Project manager	10 March	1h
J	Medium	Marketing agency	HR manager	16 March	1h
K	Big	Hospitality	CEO	18 March	1h
L	Medium	E-commerce	Senior REP	4 March	1h 10min
M	Big	B-to-B services	Expert	18 March	45min
N	n/a	B-to-B services	Expert	30 March	1h

Appendix 2. Interview guide

1. Introduction, clarification of terms used:

*The interview is expected to gain your management experience with international assignments and global/ multicultural teams. The research also values your sharing of how your company **prepares for** and **supports** employees in dealing with the topic (issues related to international HR management).*

“International assignments” - the general term referring to any work tasks that require companies to send employees abroad, or cooperation with foreign people in foreign countries (long-term/ short-term or virtual). **“Traditional expatriates”** means long-term assignments with full relocation of employees.

“Global teams” consist of people from various nations, cultures and backgrounds. Global teams may be widely dispersed in many different locations (and do virtual work), including working teams from the same organisation, or client network from different organisations.

2. What kinds of international assignments are used by the company (long-term/ short-term/ virtual)?

Either one or both of A and B question-groups will be used if they are applied to company.

A. International assignments (traditional expatriates)

In your opinion, what is needed preparation for international assignees before departure?
In fact, how does your company prepare for assignees, what kinds of training are provided?

How does the company deal with assignees' families support?

From your management points of view, what skills and competences are necessary for international assignees?

To the company, what are the keys to success of international assignments?

What were good practice(s) or bad practice(s) in international assignments management that the company experienced?

What are the challenges in dealing with international assignees preparation and management? What could be and should be developed?

B. Global team

How does diversity (multiple cultures/ differences) mean to the company?

How does the company manage differences/ diversity? And use them as a positive force?

What are the keys to success of global/ multicultural teams?

How about the following issues of global teams: trust and relationship building, conflicts resolving, etc. among team members? How are they taken care of by the company?

What skills and competences are necessary for global team members?

What kind(s) of training for global teams are provided by the company?

What were good practice(s) or bad practices in global team management that the company experienced?

What are the challenges in managing and supporting global teams? What could be and should be developed?

C. In general:

Does the company take into consideration the stress issues of your international assignees/ people working in global teams?

How does the company select suitable international assignees/ global team members?

How do you think about the “international status” of Finland and Finnish companies?

How do you think about the openness of Finnish companies toward internationalisation issues, international people and diversity?

How does trust issue work, with Finnish people, in working environment? Where does trust come from?

Thank you very much for your participation!

Appendix 3. Reasons for IAs

Dowling, Festing and Engle (2008, 89) explained three big categories of “reasons for international assignments” that were position filling, management development and organization development.

Position filling, is when there is a need from an organisation. It will depend on the position and requirements about the knowledge and so on that the organisation will decide whether to recruit a local person or to make a transfer of staffs due to the lack of local expertise.

Management development, the reason can be for training and development purposes that staffs can be transferred between head-quarter and subsidiaries; in any cases, it is to assist the development of the common corporate values. The staffs through that can gain international experience and career development.

Organisation development, the objectives are “the need for control; the transfer of knowledge, competence, procedures and practices into various locations; and to exploit global market opportunities”. It was believed that staff mobility will assist in supporting a global corporate culture and IAs give staffs opportunities to acquire broader perspective as they familiarised themselves with more than one operation.

(Dowling & al. 2008, 89.)

Traditional expatriates and local nationals

Traditional expatriates and local nationals are described:

- *Parent-country nationals* imply employees who are original from the country that is parent country of the firm.
 - *Host-country nationals* are employees who are from countries that foreign subsidiaries of an MNE are located and are hired to work for those subsidiaries.
 - *Third-country nationals* refer to employees who are from countries other than the parent country nor foreign subsidiaries' countries of an MNE and are hired to work for its foreign subsidiaries.
- (Scullion & Collings 2006.)

Appendix 4. Different types of today international assignees

(Tarique & al. 2016, 234-237.)

Local nationals	Employees who are local people and hired by MNEs.
International assignees (IAs)	This term is also used to refer to traditional expatriates that manage long-term assignments with full relocation.
Short-term IAs	Employees on IAs which last from a month up-to a year.
Domestic internationalists	Employees who manage international businesses with suppliers, clients, colleagues in other countries by virtual means, from their home countries. These people are parts of global/ virtual teams.
Virtual international employees	Employees who mainly manage work across borders and the working methods heavily rely on virtual means.
International commuters	Employees who live in one country but commute on a frequent basis to another country to work.
Frequent business trips	Employees who often travel to other countries for business visits or business tasks. The trip's length can be varied from a few days to a few months.
Localised employees	Employees who had been first sent to work in foreign countries but stayed in those countries and were hired as local employees.
Permanent globalists	Employees whose whole careers were in IAs, moving from place to place.
Stealth assignees	Employees who are sent to IAs by their managers and without informing HR nor appearing in records, benefits, support systems. Many short-term assignees are under this category.
Immigrants (A)	Employees are referred to traditional third-country nationals that were explained above.
Immigrants (B)	Immigrants who are hired by parent firm to work in the parent country. There are many possibilities of their countries of origin, the places they were born, their current locations as foreign countries or in the parent country.
Internships	Employees who work as trainees for a short period of time (also considered as temporary immigrants).
Returnees	Emigrants who are selected "to return to their home countries to work for the firm there".
Boomerangs	The term is similar to "returnees" or foreigners who had experienced with parent firm, returned to their home countries and are re-hired by firm there.
Second-generation expatriates	Employees who are naturalised citizens (immigrants who have become citizens) and are sent on IAs (other than their original countries). They are assumed to have better experience in adapting to new cultures.
Self-initiated foreign workers	Individuals who travel to (or study in) foreign countries, seek for jobs in those countries and are hired.
Just-in-time expatriates	Ad hoc or contract expatriates that are hired from outside of firms for one assignment or needed cases.
Outsourced employees	Employees who are hired and provided by outsider companies for the job tasks or services that purchased/ outsourced by MNEs.
Reward/ punishment assignees	Employees who are either given desirable or undesirable IAs to finish their careers before retiring.
Retirees	Retirees who are re-hired by their firms for short-term IAs.

Appendix 5. A broader approach of IHRM compared to HRM

In dealing with international management, there are much more factors to be consider in comparison with the domestic level:

- *More HR functions and activities*, such as management of international assignees, foreign work visas, assistance with international relocations, etc.: which are visible aspects for firm to see and commonly the things that they will focus to work on; however, there are much more other aspects that need to be managed and consciously aware by firms, as following;
 - *A broader expertise and perspective*, such as knowledge about foreign countries, their employment laws and practices, cultural differences;
 - *More involvement in employees' lives*, such as employees and their families' relocations;
 - *Dealing with and managing a much wider mix of employees*, such as various types of international employees that require differences in training, staffing, compensation and benefits programs;
 - *More external factors and influences*, such as issues from multiple governments, laws, cultures, languages;
 - *A greater level of risk*, problems and difficulties and thus, greater liabilities for making mistakes in HRM decisions.
- (Tarique & al. 2016, 27-28.)

Appendix 6. Key imperatives to global organisational learning and T&D design

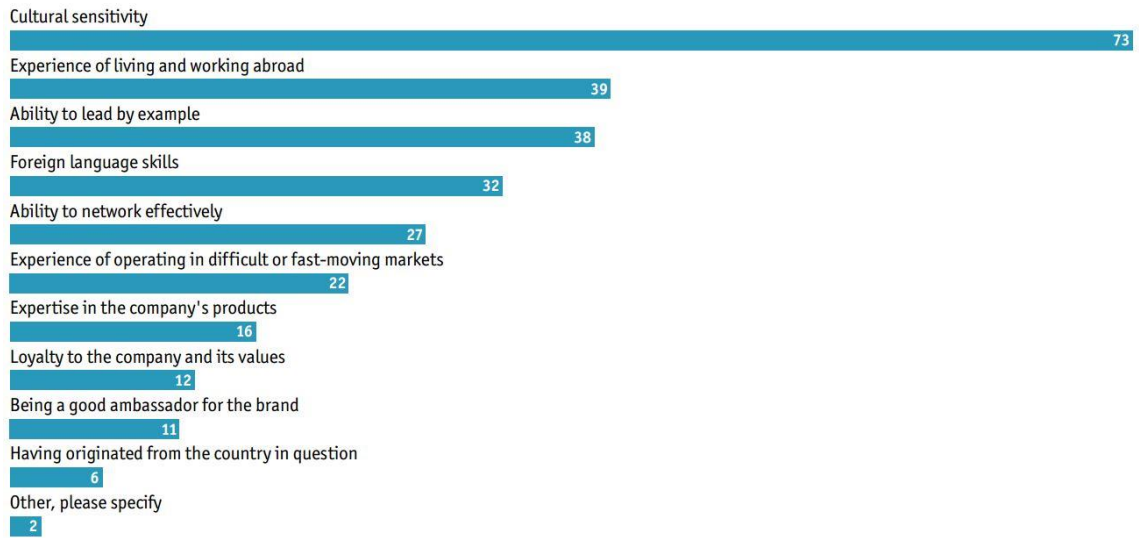
Several authors have suggested the key imperatives to global organisational learning:

- *Globalised thinking and actions*, in which MNEs should be ready and have the open mind-set of operating in global markets;
- *Become and equidistant global learning organisation*, that supports and encourages learning equidistantly from and to all locals, locations or cultures;
- *The global system as the whole is on focus*, in that the big picture of the global system will be paid attention to in T&D with the courage of integrating and eliminates boundaries between departments or countries;
- *Develop leadership skills*, which will be in the focus of T&D with the emphasis on the global aspects and factors;
- *Empower teams to create a global future*, by using increasingly global and virtual teams to perform critical projects, develop cross-cultural competencies;
- *Learning in a core competence of the global organization*; in that learning is put at a focus of managerial centre, especially in everyday-changing world, the ability to learn can become organisation's competitive advantage;
- *Constantly re-invention and renovation in both global organization and its individual members*, in which self-development and innovations play critical roles.
(Oddou & Mendenhall 2013, 160-174; Sparrow, Brewster & Harris 2004; Tarique & al. 2016, 289-290.)

When it comes to international T&D and T&D across cultures, it may involve different locations and other factors of international operations. There are many factors that will need attentions from firms in the design, development and implementation of T&D, which can be mentioned such as cultures, learning styles, education levels, forms and language. Cultures have huge impacts on ways people perceive learnings, taking cultures into account when designing T&D is such an important task to deliver suitable training programmes. Derived from cultures, learning styles are also various according to different countries or people; this factor will influence learning and teaching approach. Moreover, the differences in education levels and language will be the challenge to overcome when designing T&D programmes. People always share the same knowledge background at no time, especially when dealing with people from different locations or subsidiaries, it will become the big issue. The same situation when dealing with the variety in languages, to decide whether to translate to the local languages or use the common language, how to deliver the most effective T&D programme, all come to the attention of T&D design and decisions. (Tarique & al. 2016, 290-296.) All in all, it can be seen that cultures, all the time, have put their huge foot into the success of T&D in specific and of global operations in general. Understanding about national cultures and organisational cultures, in order to well-manage cross-cultural differences, needs to be at the heart of attention to MNEs.

Appendix 7. Economist Intelligence Unit 2010 results

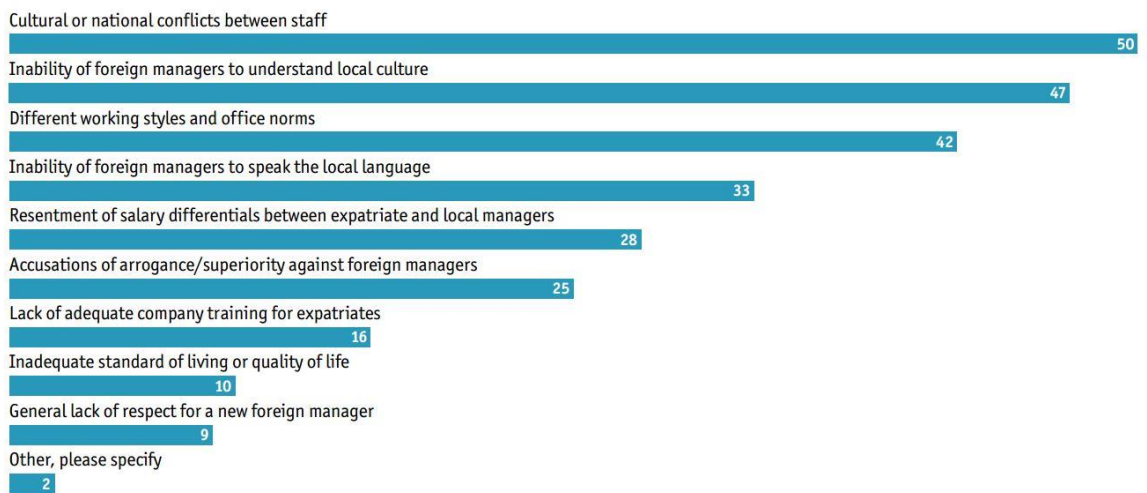
Which of the following attributes do you consider most important in a successful expatriate? Select up to three.
(% respondents)



Source: Economist Intelligence Unit.

Figure 9. Important attributes to success of expatriate (Economist Intelligence Unit 2010, 12)

Which of the following management issues do you consider to present the greatest difficulties for expatriate managers? Select up to three.
(% respondents)



Source: Economist Intelligence Unit.

Figure 10. The greatest difficulties for expatriate managers (Economist Intelligence Unit 2010, 15)

Appendix 8. Service, service design, service design thinking and stages

The discussion about service and service development helps with basic understanding for suggestions about service design and development for the case company.

Service

Zeithaml, Bitner, & Gremler (2013, 3-4) defined *services* in the simple terms as “services are deeds, processes, and performances provided or coproduced by one entity or person for another entity or person”. Services are rather intangible things that cannot be seen, touched or felt. “Services may include a final, tangible report, a website, or in the case of training, tangible instructional materials. But for the most part, the entire service is presented to the client through problem analysis activities, meetings with the client, follow-up calls, and reporting – a series of deeds, processes and performances.”

Service may include many classified terms, for example, service industries and companies, service as a product, customer service and derived service. “Service industries and companies” implies those that their core product is a service. “Service as a product” represents numerous intangible products offered to customers and are purchased by customers to acquire its values, the definition about a service was explained above. In comparison with these other two terms, one was “customer service” – provided by companies to support their core (tangible) products, which aimed to increase customer experience and satisfaction and customers often do not have to pay for them. Two was “derived service”, another way to understand about service, in which many marketers have suggested “the value derived from physical good is really the service provided by the good, not the good itself.” For example, computers provide information and data manipulation service, a razor provides barbering service, etc. (Zeithaml & al. 2013, 4-5.)

Service design

Service design is a part of the service development process. It consists of activities from planning, organising people and infrastructure, communication to material components of a service. It requires the service provider to listen to his customers and serve their demands in order to produce a high-quality service that is user-friendly, competitive and relevant to the customers. (SDN 2016.)

Professor Mager (2011) of service design, University of Cologne, Germany defined “service design aims to ensure service interfaces are useful, usable, and desirable from the client’s point of view and efficient and distinctive from the supplier’s point of view”. Center for Services Leadership (2010), Arizona State University explained “service design is fo-

cused on bringing service strategy and innovative service ideas to life by aligning various internal and external stakeholders around the creation of holistic service experiences for customers, clients, employees, business partners, and/or citizens". (Zeithaml & al. 2013, 222.)

Five central principles of service design thinking:

User-centered: services should be experienced and designed through the customer's eyes.

Cocreative: All stakeholders should be included in the service design process.

Sequencing: A service should be visualised as a sequence of interrelated actions.

Evidencing: Intangible services should be visualised in terms of physical artifacts.

Holistic: The entire environment of a service should be considered.

(Zeithaml & al. 2013, 223.)

With these principles, they help service designers to focus on watching and interpreting needs and behaviours to be able to transform them into potential future services (Zeithaml & al. 2013, 223).

Stages in service innovation and development, are herein briefly mentioned, with two sections, front-end planning and implementation:

Front-end planning:

- Business strategy development or review
- New service strategy development
- Idea generation
- Concept development and evaluation (with customers and employees)
- Business analysis (profitability and feasibility test)

Implementation:

- Service development and testing (service prototype test)
 - Market testing (service and other marketing mix elements)
 - Commercialisation
 - Post-introduction evaluation
- (Zeithaml & al. 2013, 226-234.)

Appendix 9. The service development framework

Zeithaml & al. (2013, 33-48) represented “the gaps model of service quality” which was developed by Zeithaml, Parasuraman and Berry (1990). The model serves as a suitable framework for service quality development. By understanding the nature and extent of those gaps that exist in the process of designing, delivering and marketing a service, company is expected to work on appropriate attention in order to improve the service, especially by closing those gaps.

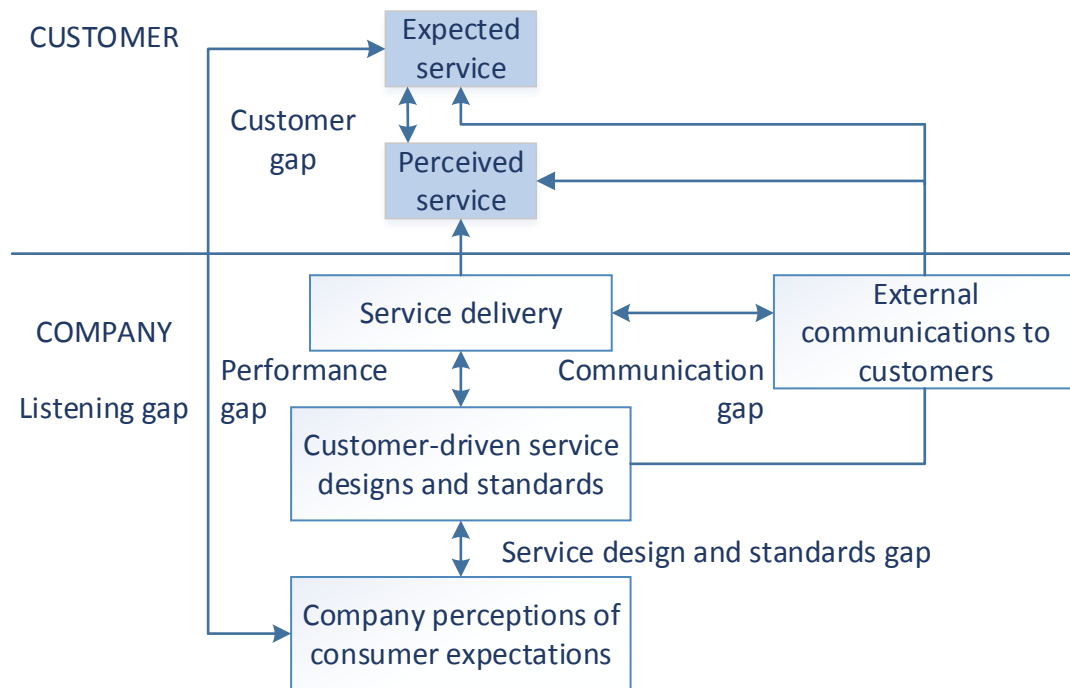


Figure 11. Gaps model of service quality (Zeithaml & al. 2013, 45)

The “customer gap” represents the difference in customer’s expectations and perceptions, it is the gap between their expected service and the service that they perceived. Before coming to the service, customers often hold their own expectations about the service, which can come from references, marketing materials or their own experience and beliefs. Closing this gap is critical to firms aiming to deliver quality service. It is essential for firms to make clear understanding of customers about the service they will perceive, meaning customers should perceive right about the service they will receive so that it is what they expect, by which firms can improve their customers’ satisfaction.

The “provider gaps” lie on four classified gaps that are: “the listening gap, the service design and standards gap, the service performance gap and the communication gap”.

First of all, the listening gap will occur when company does not understand as same as what customers expect. Many reasons that firms may make this happen, such as their inability to work effectively with customers, they do not work directly with customers on their expectations, they are unwilling to ask their customer's expectations or they are not prepared to address the customer expectations. Furthermore, the authors listed those key factors that will extend the listening gaps that were divided in four groups including inadequate customer research orientation, lack of upward communication, insufficient relationship focus and inadequate service recovery.

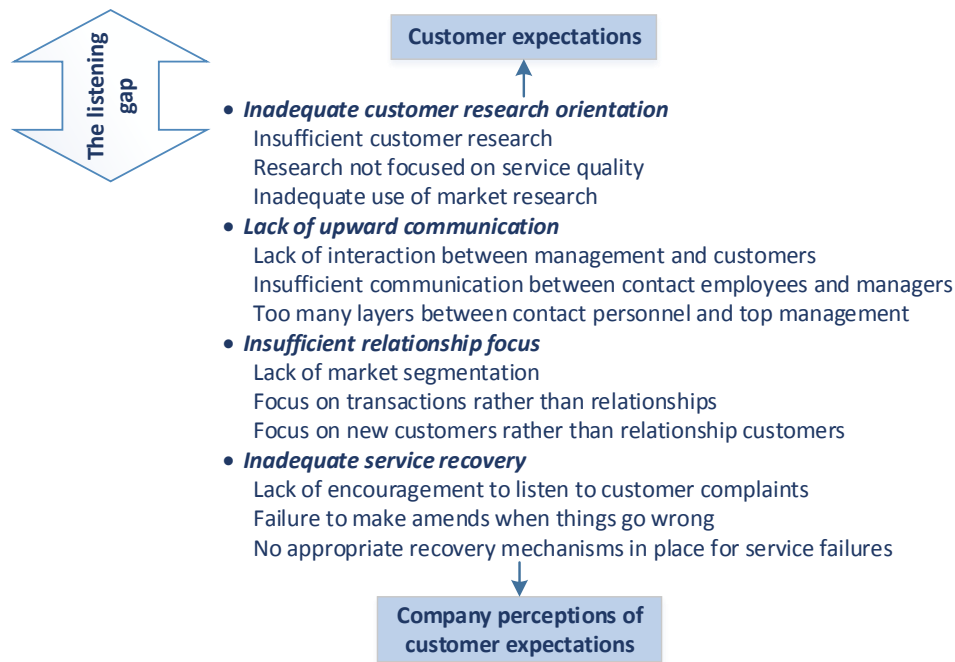


Figure 12. The listening gap and its key providers (Zeithaml & al. 2013, 37)

Second of all, it will come when understanding customers' expectations is not enough for firms to only address them. In fact, they may find many difficulties in translating those expectations into service quality specifications and standards so that their employees will be able to execute and produce the service. It will lead to the existence of "the service design and standards gap". Therefore, the gap is discussed here means for the difference between firm's understanding about customer' expectations and their development of service design and standards. There are several reasons for this type of gap, it may lie on the incorrect assumptions of managers that are responsible for setting standards, or the rationalisations of their reluctance to break tough challenges to create excellent services. Also, because service with its intangible characteristic is always difficult to describe and communicate. It will be very important for every single staff that works on a particular service to perceive the same vision and understanding in developing it. Most of all, it was mentioned by the authors that among the ways to close the gap, it is very important "to clearly design services without oversimplification, incompleteness, subjectivity, and bias".

They may take into uses tools that help to design services in as careful manners as possible. Service standards that whether do or do not reflect customer expectations will affect how customers perceive about the service quality.



Figure 13. The service design and standards gap and its key providers (Zeithaml & al. 2013, 39)

Third of all, it is getting even more complicated when going to the stage of service delivery and performance. There is a typical type of gap that is very likely to happen here, which is "the service performance gap" – the inconsistency between the service's development standards and the actual performance to deliver the service of firms' employees. Why this comes to the complex aspect, as it is very uncertain to ensure the extreme success of this stage, which will require the accurate support for not only employees who perform the service, but also other resources such as systems and technology. However, to ensure good contributions from employees, marketing and human resource practices should be taken good care, such as employee selections, trainings, good motivations and compensations benefits, etc. Besides, other factors that may extend the gap comes from customer side, when customers are failed to perform their roles that lead to the negative result of service performance. Firms should also spend time analysing and minimizing these issues. The gap can also be accumulated in case of intermediaries (franchisees, retailers, agents, etc.) using and unequal line of service performance, even though this area is not under the firm's direct control, it may be necessary to figure out how to control or motivate them to meet common goals.



Figure 14. The service performance gap and its key providers (Zeithaml & al. 2013, 41)

The final listed gap was “the communication gap” which emphasized on the differences between services’ delivery and external communication of the providers such as from advertising, sales force or other channels. Firms actually make promises through their media advertising activities which will raise the expectations of customers. When firms are failed to deliver their promises, typically deriving from overpromising, inadequate cooperation between operations and marketing or differences in procedures across service outlets, will widen the communication gap and lead to other failure in delivering services. In connect with the customer gap, firm should also pay attention to opportunities to educate customers to appropriately use the service or clear them with appropriate understanding of what will be delivered. Communication with customers creates various challenges, it requires the effective external marketing and interactive marketing. Not only customers should be educated with good understanding about the service, but also it should be provided for contact person so that exaggerations can be avoided. Pricing can be an issue, especially in term of services (in difference with physical goods), customers do not often have adequate knowledge about competition for prices comparing.

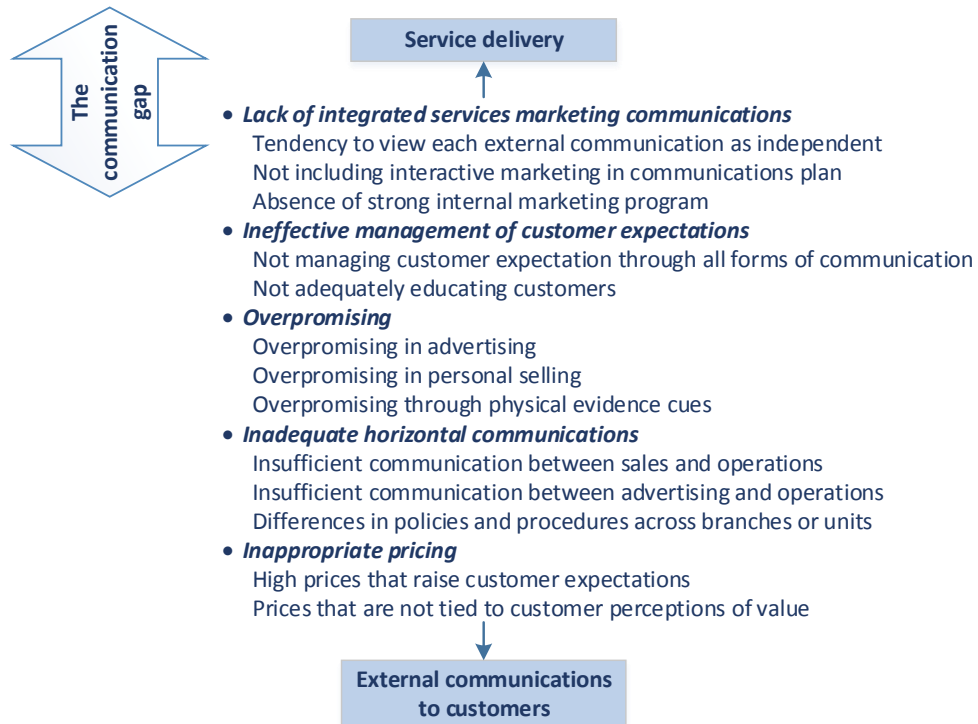


Figure 15. The communication gap and its key providers (Zeithaml & al. 2013, 44)

Zeithaml & al. (2013, 33-48.)